



MARCH JOINT POWERS AUTHORITY

NOTICE OF REGULAR TAC MEETING

THE TECHNICAL ADVISORY COMMITTEE
OF THE
MARCH JOINT POWERS AUTHORITY

NOTICE IS HEREBY GIVEN
A REGULAR MEETING OF THE TECHNICAL ADVISORY COMMITTEE
OF THE MARCH JOINT POWERS AUTHORITY

WILL BE HELD ON

Monday, June 5, 2023 from 3:30 p.m. to 5:00 p.m.

MARCH JOINT POWERS AUTHORITY OFFICE
14205 MERIDIAN PARKWAY, SUITE 140
RIVERSIDE, CA 92518

I hereby certify that the foregoing notice is a full, true and correct copy of a notice that was sent to the following locations:

1. County of Riverside
County Administrative Center
4080 Lemon Street
Riverside, CA
2. City of Perris
City Hall
101 North D Street
Perris, CA
3. City of Riverside
City Hall
3900 Main Street
Riverside, CA
4. City of Moreno Valley
City Hall
14177 Frederick Street
Moreno Valley, CA
5. March Joint Powers Authority Office
14205 Meridian Parkway, Suite 140
Riverside, CA 92518

I hereby further certify that a copy of the foregoing notice was dispatched by me on June 1, 2023 to each member of the Technical Advisory Committee of the March Joint Powers Authority.

Cindy Camargo

Cindy Camargo, Secretary to the TAC

Regular Meeting
of the
TECHNICAL ADVISORY COMMITTEE (TAC)
of the
MARCH JOINT POWERS AUTHORITY

Monday, June 5, 2023 at 3:30 p.m.

MARCH JOINT POWERS AUTHORITY
14205 Meridian Parkway, Suite 140
Riverside, CA 92518

AGENDA

1. Call to Order

2. Roll Call

3. Matters Subsequent to Posting Agenda

Approval of Agenda Additions or Corrections, as Necessary.

**4. Approval of the Minutes of the Regular TAC Meeting held on April 3, 2023 - Page 4
May 1, 2023 TAC Meeting Cancelled**

5. Public Comments

Any person may address the Technical Advisory Committee on any subject pertaining to March Joint Powers Authority, March Inland Port Airport Authority, Successor Agency/former March Joint Powers Redevelopment Agency, and March Joint Powers Utilities Authority business not listed on the Agenda during this portion of the Meeting. A limitation of three (3) minutes shall be set for each person desiring to address the Commission.

6. Reports, Discussions and Actions

- a) Report: Receive and file a report for Landscaping and Lighting Maintenance District No. 1 (LLMD #1) Report - Page 7
Dan Fairbanks, Planning Director
- b) Report: Receive and file an update for CUP 22-03, Car Wash – Veterans Plaza Commercial Center, Van Buren Boulevard, Riverside - Page 36
Jeff Smith, Principal Planner
- c) Report: Receive and file a report for the first amendment to the Sublease Agreement between March Field Museum Foundation and the Metropolitan Water District – Page 47
Jeff Smith, Principal Planner
- d) Report: Receive and file a report for the Meridian Storm Drain Extension Project - Page 52
Lauren Sotelo, Senior Planner
- e) Report: Receive and file a Village West Drive Extension Update – Page 74
Lauren Sotelo, Senior Planner
- f) Report: Receive and file a Signature Healthcare Services LLC Parcel Update – Page 80
Dr. Grace Martin, Executive Director
- g) Report: Receive and file the 2022 Audit (All MJPA Entities) – Page 81

Dr. Grace Martin, Executive Director

h) Report: Receive and file a report for Land Sales Revenue Disbursement - Page 212

Dr. Grace Martin, Executive Director

i) Report: Receive and file a report for Workforce Development - Summer Internship Program- Page 253

j) Military Compatibility Use Study (MCUS) Update – Page 254

Simon Housman, ALUC

k) Report: Rolling Calendar and Future Agenda Items – Page 255

Dr. Grace Martin, Executive Director

**7. TAC representation and report at the next scheduled JPC Regular Meeting –
June 14, 2023**

**8. Reports and comments from Staff or TAC members regarding activities in their
jurisdictions**

9. Adjournment

In accordance with Government Code section 65009, anyone wishing to challenge any action taken by the members appointed by the March Joint Powers Commission of the entity listed in this agenda above in court may be limited to raising only those issues raised at the public hearing described in the notice or raised in written correspondence delivered to the hearing body, at or prior to the public hearing. Any written correspondence submitted to one or more of the March JPA Commissioners regarding a matter on this Agenda shall be carbon copied to the Commission Clerk and the project planner, if applicable, at or prior to the meeting date first referenced above.

Copies of written documentation relating to each item of business described above are on file in the office of the March Joint Powers Authority (March JPA), 14205 Meridian Parkway, Ste. 140, Riverside, California and are available for public inspection during regular office hours which are 7:30 a. m. to 5:00 p.m., Monday through Thursday, Friday-Closed. Written materials distributed to the March Joint Powers Technical Advisory Committee (TAC) within 72 hours of the TAC meeting are available for public inspection immediately upon distribution in the March JPA office at 14205 Meridian Parkway, Suite 140, Riverside, California (Government Code Section 54957.5(b)(2)). Copies of written materials may be purchased for \$0.20 per page. Pursuant to State law, this agenda was posted at least 72 hours prior to the meeting.

I hereby certify under penalty of perjury, under the laws of the State of California that the foregoing agenda was posted in accordance with the applicable legal requirements.

Dated: June 1, 2023

Signed: Cindy Camargo
Cindy Camargo, Secretary
MJPA Technical Advisory Committee

**ADA: If you require special accommodations during your attendance at a meeting, please contact the
March JPA at (951) 656-7000 at least 24 hours in advance of the meeting time.**

**March Joint Powers Authority
14205 Meridian Parkway, Suite 140, Riverside, CA 92518
Phone: (951) 656-7000 FAX: (951) 653-5558**

Regular Meeting
of the
TECHNICAL ADVISORY COMMITTEE (TAC)
of the
MARCH JOINT POWERS AUTHORITY

Monday, April 3, 2023 at 3:30 p.m.

MARCH JOINT POWERS AUTHORITY
14205 Meridian Parkway, Suite 140
Riverside, CA 92518

MEETING MINUTES

Present: Tisa Rodriguez, Chair
Juan Perez, County of Riverside (arrived at 3:38pm)
Thomas Ketcham, County of Riverside
Rafael Guzman, City of Riverside (arrived at 3:40pm)
Michele Patterson, City of Moreno Valley
Kenneth Phung, City of Perris

Absent: Tisa Rodriguez

Others in Attendance:

Jeremy Holm, BB&K	Tina Grande-Field, County of Riverside
Dr. Grace Martin, March JPA	Cindy Camargo, March JPA
Lt Col David Shaw, MARB	Nina Schumacher, March JPA
Col Alan Wieman, MARB	Lauren Sotelo, March JPA
Chris Doerr, Gensler	Roxanne Corona, March JPA
Mike McCarthy, Orangecrest Resident	
Simon Housman, MCUS	

1. Call to Order

Chair Rodriguez called the meeting to order at 3:31 p.m.

2. Roll Call

Present: Kenneth Phung, Michele Patterson, Rafael Guzman (arrived at 3:40pm), Juan Perez (arrived at 3:38pm), Tisa Rodriguez

Absent: None

3. Approval of the Minutes of the Regular TAC Meeting held on February 6, 2023

March 6, 2023 TAC Meeting Cancelled

Motion to approve: Patterson

Second: Phung

Abstain: None

4. Public Comments

None

Matter Subsequent

Agenda item 5b attachments should read Attachments 1 and 2, not Attachments 4 and 5.

5. Reports, Discussions and Actions

a) Report: Receive and file an update on Meridian D1-Gateway Aviation Center Project Plot Plan 20-06, Zone Change 20-02

Applicant: Meridian Park D-1, LLC

Jeffrey Smith. Principal Planner, March JPA provided an update on this item.

No questions or comments.

b) Report: U.S. Vets Initiative Transitional Housing Program Specific Plan (SP 6) Specific Plan (SP 6) Amendment 1, Plot Plan 10-02, Amendment 1

Applicant: United States Veterans Initiative (US Vets)

Grace Martin: Just want to take a note of matters proposed to the agenda, there is a correction on page 19 of this item, just typo under attachments. It's labeled numbers 4 and 5 when actually they should be 1 and 2.

Jeffrey Smith. Principal Planner, March JPA provided an update on this item.

Member Phung asked if there are some recreational amenities as part of the project. Mr. Smith answered that he believes that within the new development there will be some recreational amenities and there's also some recreational amenities on the site near buildings 1 and 3. Mr. Smith added that he does not believe there are any additional amenities.

Chair Rodriguez asked which tribes did not want to do a tribal consultation. Mr. Smith answered that so far, he has heard from two tribes, Agua Caliente and Augustine Band of Mission Indians.

c) Military Compatibility Use Study (MCUS) Update

Simon Housman, ALUC provided an update on this item.

Chair Rodriguez asked what the due date for this review was. Mr. Housman answered that Matrix would like to get the comments around the 17th if that's possible but certainly no later than the end of the month. The next step after those comments are reviewed and incorporated into the group document would be to release the document for adoption by the various jurisdictions, and hopefully completed by May or June. Chair Rodriguez asked if the 17th is a workable due date for everyone. Chair Rodriguez stated, okay, the 17th it is.

d) Report: Rolling Calendar and Future Agenda Items

Dr. Martin stated that there is an item of interest to the member agencies, the Municipal Services Agreement (MSA) amendment between the county and the JPA for services. Dr. Martin added that it is also the agreement that has allowed the county to pass along a portion of the sales taxes back to the JPA, about \$600,000 as well as the TOT for hotels. She added that under this amendment they would no longer be receiving the funds from the county as the county would be considering on April 18th the revenue sharing agreements to the four member agencies thereby marking the transition of the JPA in 2025.

Member Phung stated that he would like an update on the truck route enforcement. Dr. Martin answered that there was a transition in leadership at the Moreno Valley station, so they are going to start up the enforcement and do the monitoring and will provide an update

for to the TAC. Chair Rodriguez asked if there was a start date. Dr. Martin answered that there is not a date set yet. Mr. Fairbanks stated that they are planning to start as soon as possible.

**6. TAC representation and report at the next scheduled JPC Regular Meeting –
March 22, 2023**

Member Perez asked Dr. Martin when she anticipates bringing back discussions on the MIPAA budget. Dr. Martin stated that there are meetings this week with staff to get the mid-year budget review done and as part of that they will also be looking at the MIPAA budget and bring it back to the TAC for discussion.

7. Reports and comments from Staff or TAC members regarding activities in their jurisdictions

8. Adjournment

This meeting adjourned at 3:52 p.m.

**March Joint Powers Authority
14205 Meridian Parkway, Suite 140, Riverside, CA 92518
Phone: (951) 656-7000 FAX: (951) 653-5558**

**MARCH JOINT POWERS AUTHORITY
TECHNICAL ADVISORY COMMITTEE
OF THE
MARCH JOINT POWERS AUTHORITY**

***Reports, Discussion and Action
Agenda Item No. 6a***

Meeting Date: June 5, 2023

Report/Discussion: LLMD No. 1 Landscaping and Lighting Maintenance District No. 1

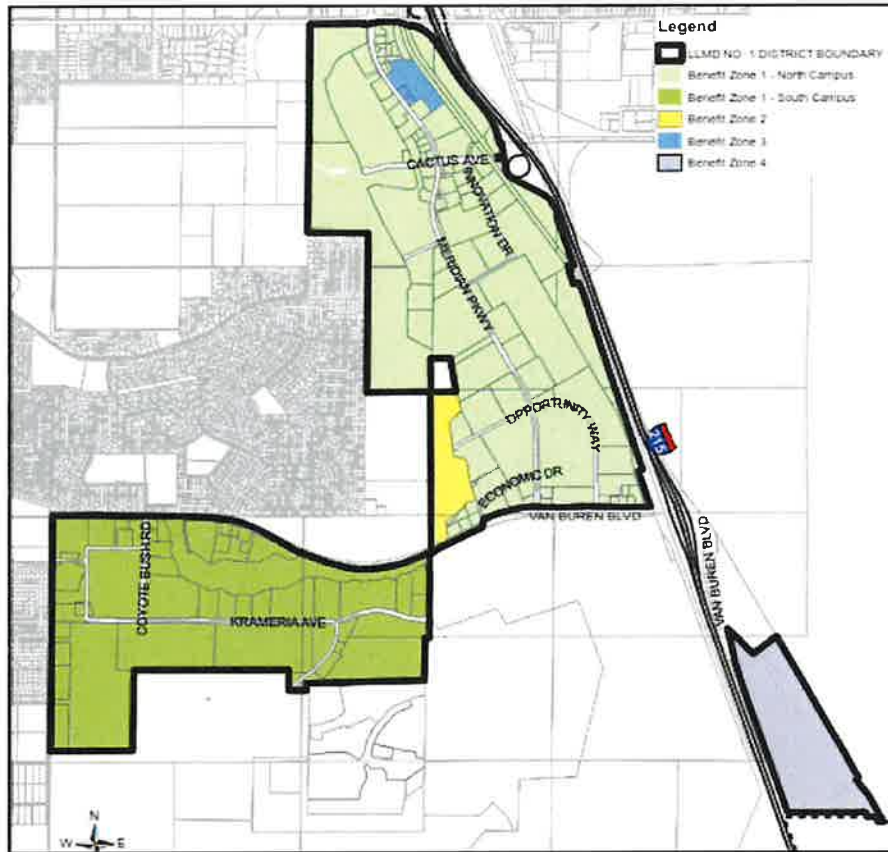
Applicant: March JPA (Manager of LLMD No. 1)

Background:

March JPA has scheduled a March Joint Powers Commission public hearing to discuss the 2023-2024 Engineers Report for Landscape, Lighting and Maintenance District (LLMD) #1 (Meridian) on June 14, 2023. The public hearing will also include discussion and balloting for the annexation (Annexation #5) of the 127.74-acre Hillwood/Target property into LLMD #1. This site is owned by the March Joint Powers Authority as part of March Inland Port, and is leased to Hillwood, and in turn subleased to Target. Hillwood is required to participate in an LLMD based on the Plot Plan conditions of approval for PP 20-28, as listed below:

101. Unless currently annexed, this project shall annex to existing landscape, lighting, and drainage maintenance districts established by March JPA. The applicant shall be responsible to pay towards maintenance of all offsite facilities including drainage improvements as determined by the Districts. Onsite underground basin(s), pipes, lights, and landscaping shall be maintained by the applicant.

LLMD No. 1 was formed January 19, 2005 and provides for the maintenance, operation and servicing of development monument signage, street lighting, traffic signals, landscaping and irrigation, drainage, street sweeping, graffiti removal and appurtenant facilities. At present, all lots within LLMD #1 are within the Meridian development (aka March Business Center), located west of Interstate 215. Annexation of the Hillwood/Target site would expand LLMD #1 to one airport related site located east of Interstate 215.



Assessment Diagram for LLMD #1

March JPA analyzed creation of a new LLMD (LLMD #2) for the Hillwood/Target site, which would have increased the annual assessments due to higher administrative costs associated with an additional, separate Engineer’s Report. Through annexation of the site into the existing LLMD #1, the proposed assessment for the Hillwood/Target site is \$1,034.34 per acre (\$132,127 total assessment), which is favorable in comparison to the assessment of approximately \$2,350 per acre for developed parcels in the north and south campus of Meridian.

Benefit Zone	Effective	Maximum
Benefit Zone 1, North Campus	\$2,351.49	\$2,351.49
Benefit Zone 1, South Campus	\$2,358.88	\$3,594.29
Benefit Zone 2	\$0.00	\$0.00
Benefit Zone 3	\$4,541.33	\$4,541.33
Benefit Zone 4	\$1,034.34	\$1,034.34

Assessment Ballots

At the close of the Public Hearing on June 14, 2023, the March JPA’s ballot for the site will be opened. With a yes vote, the Commission can consider the adoption of a resolution confirming the annexation and the levy of the 2023/2024 assessments.

Attachment: 2023-2024 Engineer’s Report for LLMD No. 1



March Joint Powers Authority Landscaping and Lighting Maintenance District No. 1

2023/2024 ENGINEER'S REPORT

**Intent Meeting: May 10, 2023
Public Hearing: June 14, 2023**

27368 Via Industria
Suite 200
Temecula, CA 92590
T 951.587.3500 | 800.755.6864
F 951.587.3510 | 888.326.6864
Property Tax Information Line
T. 866.807.6864

www.willdan.com



ENGINEER'S REPORT AFFIDAVIT

Landscaping and Lighting Maintenance District No.1

Fiscal Year 2023/2024

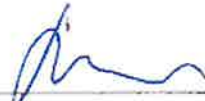
March Joint Powers Authority

County of Riverside County, State of California

This Report describes the District and defines improvements, budget and relevant zones therein and the parcels to be levied for Fiscal Year 2023/2024 as they existed at the time of the passage of the Resolution of Intention. Reference is hereby made to the Riverside County Assessor's maps for a detailed description of the lines and dimensions of parcels within the District. The undersigned respectfully submits the enclosed Report as directed by the City Council.

Dated this 26th day of April, 2023.

Willdan Financial Services
Assessment Engineer
On Behalf of March Joint Powers Authority

By:  _____

Susana Hernandez
Senior Project Manager, District Administration Services

By:  _____

Tyrone Peter
PE #C 81888



Table of Contents

INTRODUCTION 1
 District Changes for Fiscal Year 2023/2024 2
PART I- PLANS AND SPECIFICATIONS3
PART II- METHOD OF APPORTIONMENT 12
PART III- FISCAL YEAR 2023/2024 COST ESTIMATE..... 17
PART IV- DIAGRAM..... 18
PART V- ASSESSMENT ROLL 20

Introduction

Pursuant to the direction from the Commission, submitted herewith is the "Report," consisting of the following parts, pursuant to the provisions of Division 15, Part 2 of the Streets and Highways Code of the **STATE OF CALIFORNIA**, being the "Landscaping and Lighting Act of 1972", as amended, commencing with Section 22500. This "Report" is applicable for the ensuing 12-month period, being the fiscal year commencing July 1, 2023 to June 30, 2024

The Report consists of five (5) parts:

PART I.

Plans and Specifications: The plans and specifications contained in Part I of this Report generally describe the improvements to be maintained and serviced. The referenced plans and specifications within Part 1 were prepared for construction purposes and further show and describe the detailed nature, location and extent of the improvements. These specific plans and specifications are on file in the Planning and Development Services Department of the March Joint Powers Authority and by reference are made part of this Report.

PART II

Method of Apportionment: Part II of the Report outlines the method of calculating each property's proportional special benefit necessary to calculate the property's annual assessment. This method of apportionment is consistent with the previously adopted method of apportionment for the Landscape and Lighting Maintenance District No.1 (District) that was approved by the property owners in protest ballot proceedings conducted in prior years. This section also includes a discussion of the general and special benefits associated with the various improvements to be provided within the District.

PART III

Cost Estimate: Included within Part III are estimates of the annual costs to operate, maintain, and service the improvements and appurtenant facilities for the mentioned fiscal year. The budget for each Benefit Zone includes an estimate of the maintenance costs and incidental expenses including, but not limited to: labor, materials, utilities, equipment, and administration expenses as well as the collection of other appropriate funding authorized by the 1972 Act and deemed necessary to fully support the improvements.

Part IV

Assessment Diagrams: This section of the Report contains a diagram showing the exterior boundary of the District, as well as, the boundaries of Benefit Zones within the District. Parcel identification, the lines and dimensions of each lot, parcel and subdivision of land within the District and Zones are shown on the Riverside County Assessor's Parcel Maps, and shall include any subsequent lot line adjustments or parcel changes therein. Reference is hereby made to the Riverside County Assessor's Parcel Maps for a detailed description of the lines and dimensions of each lot and parcel of land within the District.

Part V

Assessment Roll: An Assessment Roll showing the proportionate amount of the assessment to be charged in proportion to the benefits to be received by each lot or parcel within the exterior boundaries as shown on the below-referenced Diagram. This "Report" is applicable for the ensuing 12-month period, being the fiscal year commencing July 1, 2023 to June 30, 2024.

DISTRICT CHANGES FOR FISCAL YEAR 2023/2024

For Fiscal Year 2023/2024, there is one assessor parcel proposed to be annexed into the District as Annexation No. 5 and the establishment of Benefit Zone 4. The Assessor's Parcel Number is identified as 294-170-015. This parcel is located east of Interstate 215 and south of Krameria Avenue. The improvements to be constructed in conjunction with the development of Annexation No. 5 will be maintained and serviced under Benefit Zone 4.

The Benefit Zone 4 improvements include landscaping maintenance, maintenance of street lights, street sweeping, maintenance of two traffic signals, drainage facility maintenance, and graffiti removal.

Part I- Plans and Specifications

There are five Benefit Zones in Landscaping and Lighting Maintenance District No. 1 (LLMD), including the proposed annexation No. 5 establishing Benefit Zone 4. They are:

1. Benefit Zone 1, North Campus
2. Benefit Zone 1, South Campus
3. Benefit Zone 2
4. Benefit Zone 3
5. Benefit Zone 4

There are six categories of improvements to be maintained, operated and serviced. The categories are public signage, lighting and traffic signals, landscaping, street sweeping, graffiti removal, and drainage facilities. A general description of each category of improvements is presented in the following paragraphs.

Signage and Lighting Improvements

The work to be performed consists of the energy, servicing, operation, and maintenance of signage, the street lights installed along public streets and easements, and the pedestrian lighting installed along the south boundary of the North Campus (Van Buren Boulevard), the west boundary of the South Campus (Barton Street) and the Interstate 215 and Van Buren Boulevard Overpass.

Traffic Signal Improvements

The work to be performed consists of the energy, servicing, operation, and maintenance of traffic signals, safety lighting, beacons, and other electrically operated traffic control or warning devices installed along public streets, including routine maintenance and emergency call-out service.

Landscaping Improvements

The work to be performed includes the maintenance, servicing and repair of the landscaping, irrigation system, electrical, water, and ornamental structures and facilities located in public streets, rights of way, parkways, easements, slopes, open space areas and various park facilities.

Street Sweeping

The work to be performed includes the sweeping of interior public streets and easements.

Graffiti Removal

The work to be performed is the removal of graffiti on the exterior face of walls, or walls with the integration of fencing materials, along the rear of lots abutting open space and/or visible from residences and roadways.

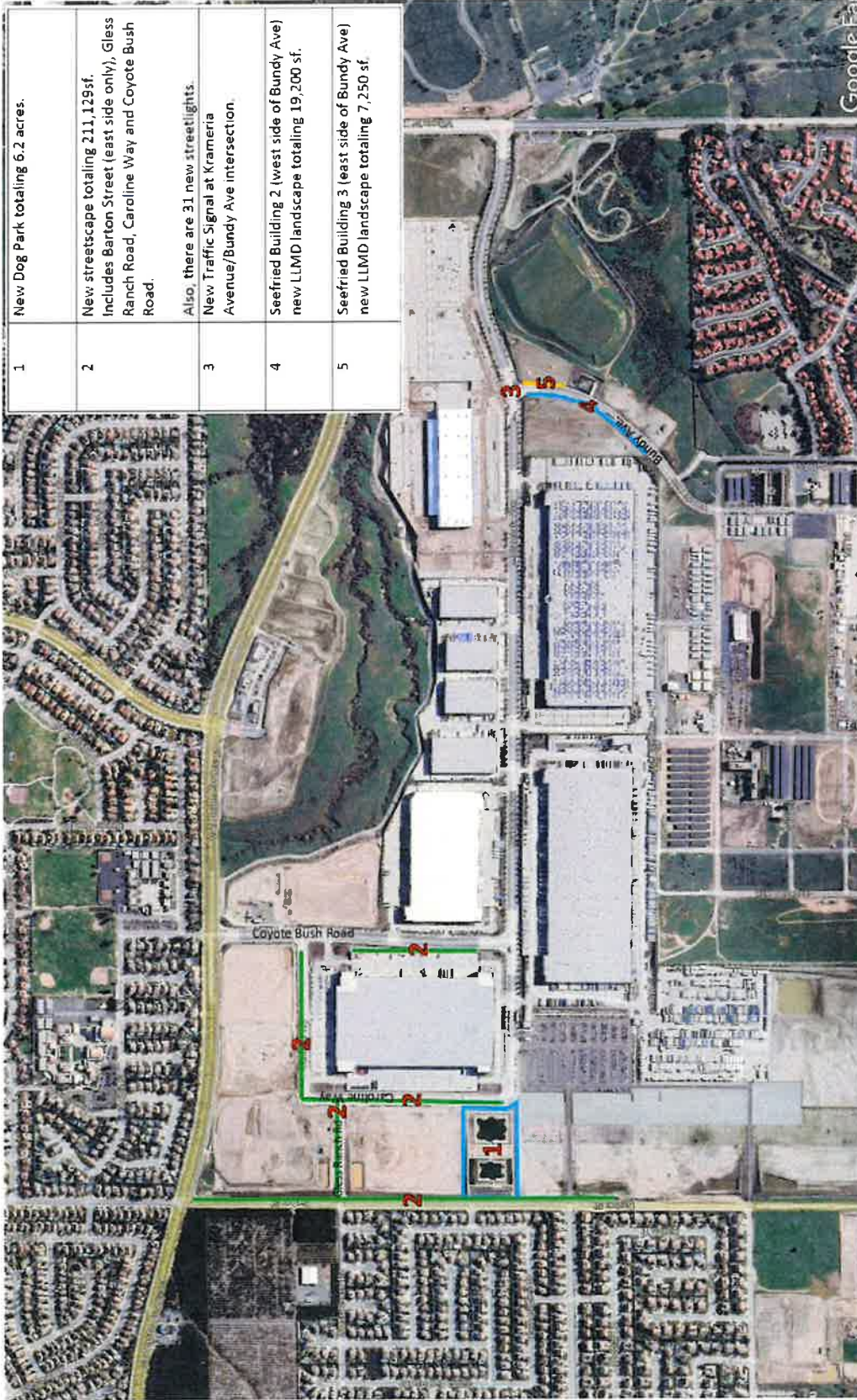
Drainage Improvements

The work to be performed includes the maintenance, servicing and repair of the landscaping, irrigation system, electrical, and water facilities within the drainage improvements and appurtenances that convey and retain the storm drain flow within the MBC. These improvements include inlets, reinforced concrete pipes, catch basins, outlets, channels, drop structures, wash, detention basins, and slopes greater than 10-feet in vertical height.

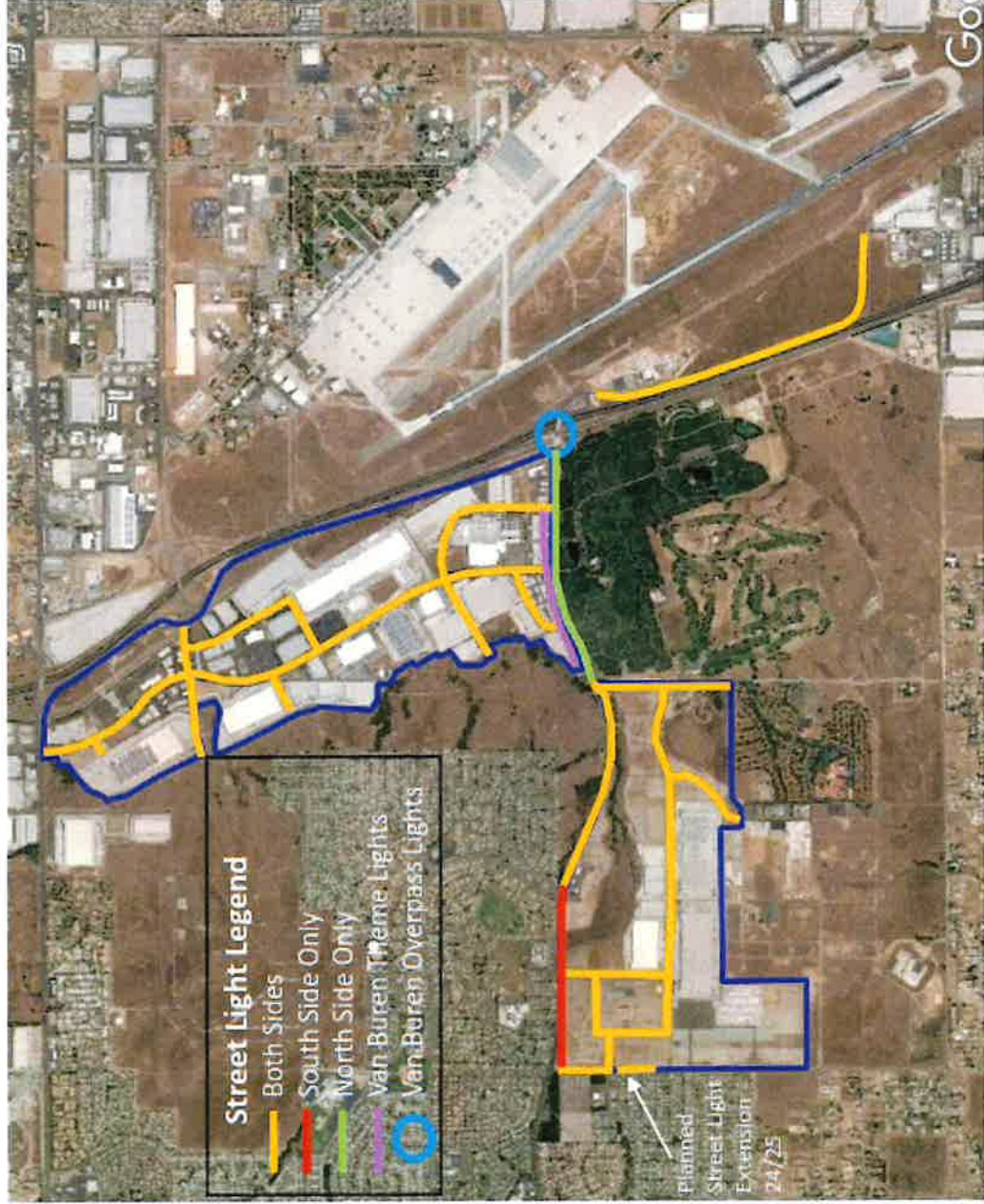
Plans and Specifications for the improvements to be maintained and/or improved for the fiscal year have been approved or are in the process of being designed for approval by the March Joint Powers Authority. The work to be performed is under the ownership and operation of the March Joint Powers Authority (MJPA).

The Fiscal Year 2023/2024 estimated costs for each Benefit Zone are presented herein Part 3, the Cost Estimate.

The map below details the new Fiscal Year 2023/2024 improvements for the LLMD Benefit Zone 1, South Campus.



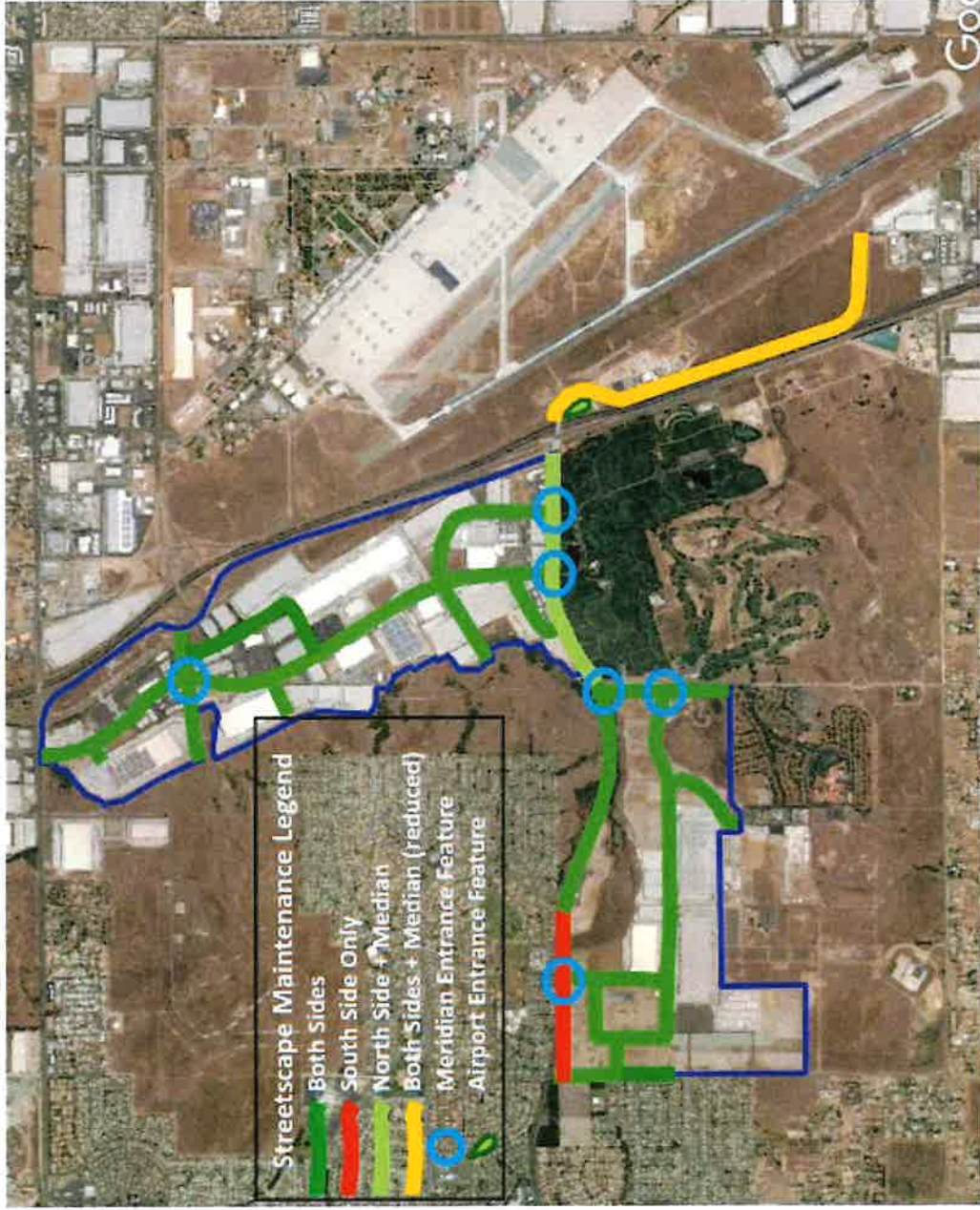
The map below details the location of the LLMD street light improvements.

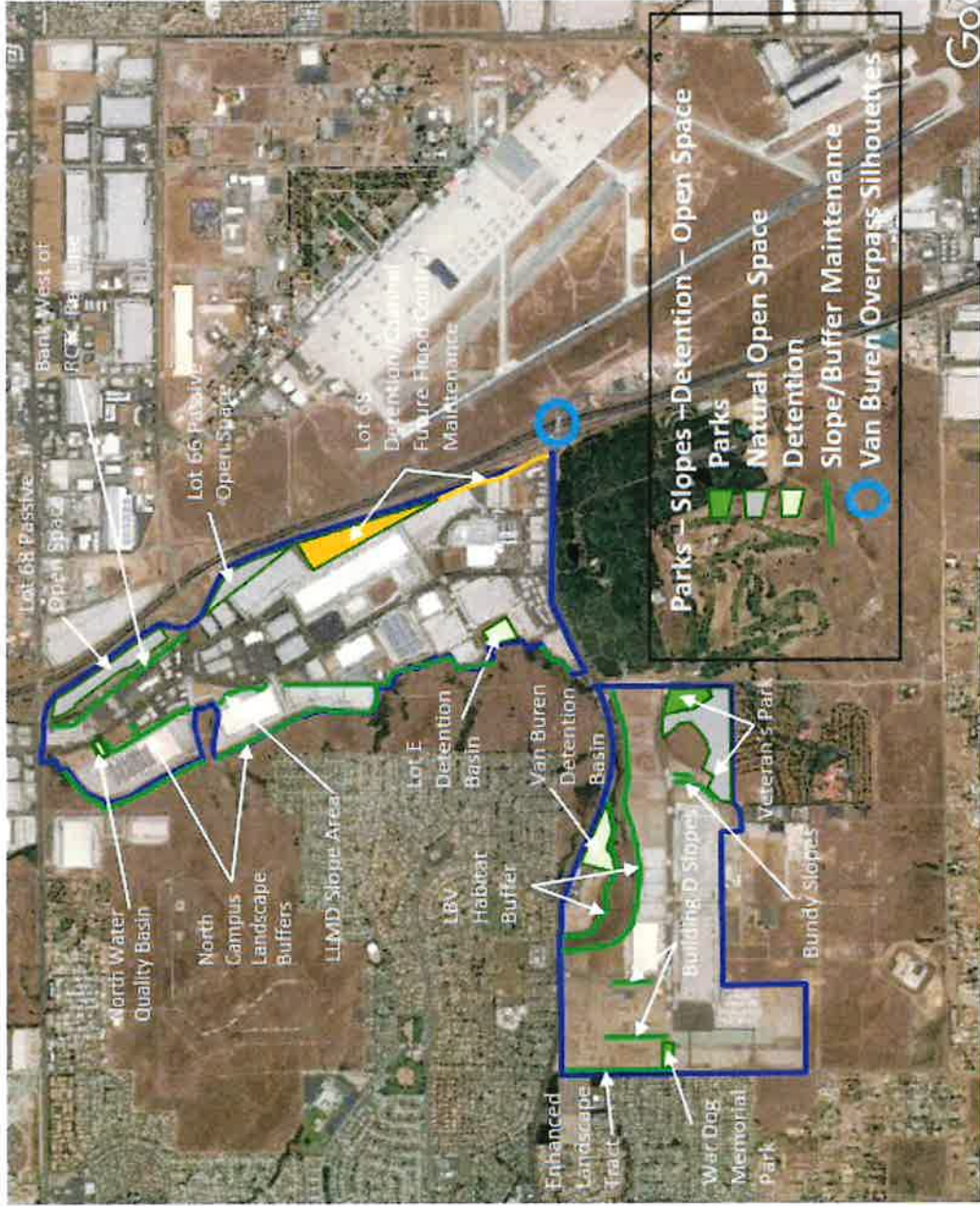


The map below details the location of the LLMMD traffic signal improvements. March JPA contracts with the County for signal maintenance.

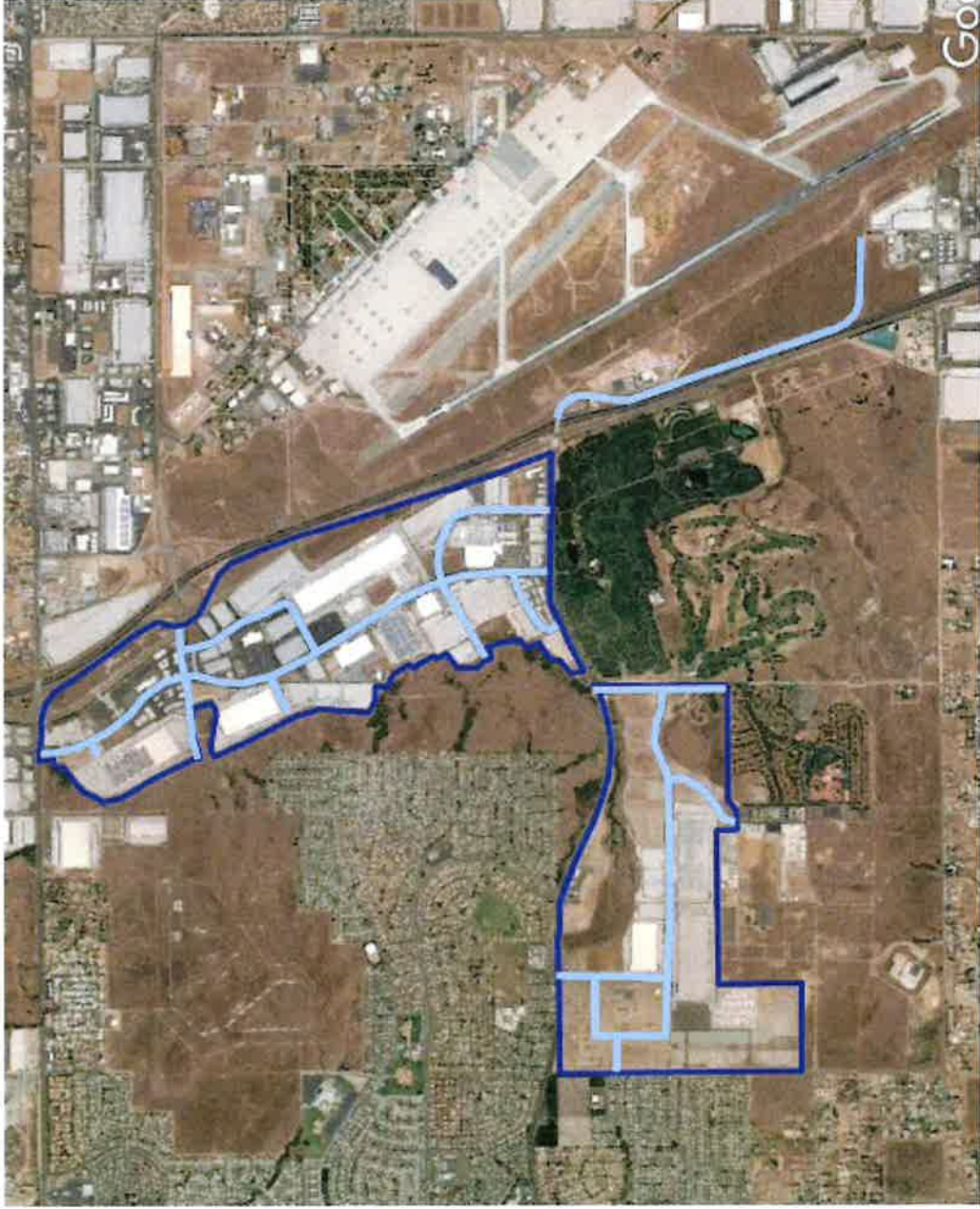


The maps below detail the location of the LLMD landscape improvements.





The map below details the location of the LLMD street sweeping.

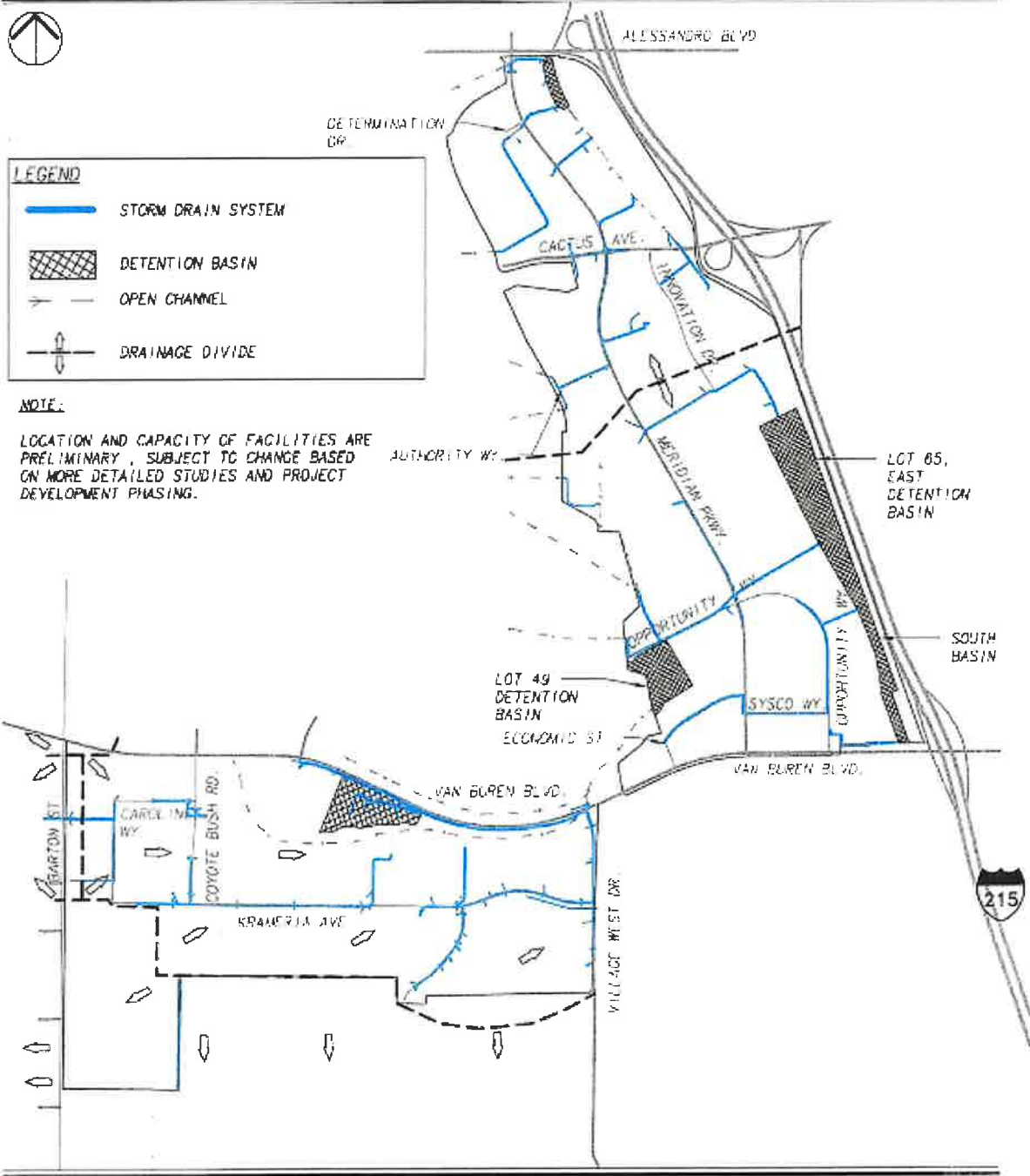


The map below details the location of the LLMD graffiti removal.



The map below details the location of the LLMD drainage improvements.

MARCH BUSINESS CENTER - SPECIFIC PLAN AMENDMENT



Part II- Method of Apportionment

In response to the realignment of March Air Force Base, there was a determination by the MJPJA that a plan was required to provide for areas declared surplus and available for disposal actions. The MBC Specific Plan was prepared and approved and has been amended by the MJPJA to mitigate the losses associated with the base realignment. Implementation of the MBC Specific Plan will specifically benefit that area being re-aligned by establishing a cohesive identity and a land use plan that will result in a self-sustaining project with a large employment center.

Implementation of the Specific Plan required the formation of Landscaping and Lighting Maintenance District No. 1 (LLMD 1) to provide for the on-going maintenance of certain improvements. The intent of the District is to provide funding for the annual and continued maintenance of these improvements in perpetuity.

There are four benefit zones within LLMD 1. The locations of the Benefit Zone 1 improvements are further identified as the North or South Campus improvements. Due to the nature and extent of the improvements, and being in separate areas, each Campus is assessed separately for that Campus's facilities and services. Located north of Van Buren Boulevard, the North Campus parcels are assessed for the maintenance and services provided within the North Campus. Located south of Van Buren Boulevard, the South Campus parcels are assessed for the maintenance and services provided within the South Campus.

The parcels in the North Campus include approximately 60% of the total area within the MBC Specific Plan, with the remainder 40% to be developed in the South Campus. To be protected from inundation, before development of the South Campus could take place, certain drainage facilities were required to be constructed within the North Campus. Accordingly, 40% of the maintenance of the detention basins within the North Campus is assessed to the South Campus.

Proposition 218 requires that a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel. The Article XIII D provides that only special benefits are assessable. The Authority must separate the general benefits from the special benefits conferred on a parcel; a special benefit being a particular and distinct benefit over and above general benefits conferred on the public at large, including real property within the district.

The improvements are located within and/or immediately adjacent to properties within the District and were required as a condition of approval to develop. The improvements were installed and are maintained particularly and solely to serve, and for the benefit of, the properties within the respective Benefit Zones.

Landscaping in the medians along the major thoroughfares provides only incidental, negligible and non-quantifiable benefits to motorists traveling to, from or through the District. Operation and maintenance of the greenways within the District provides only incidental, negligible and non-quantifiable benefits to pedestrians and cyclists traveling through the greenbelts.

Any benefit received by properties outside of the District is inadvertent and unintentional. Therefore, any general benefits associated with the maintenance and servicing of the improvements are merely incidental, negligible, and non-quantifiable. The improvements detailed in Part I herein confer special benefits that affect the assessed property in Benefit Zone 1 in a way that is particular and distinct from the effects on other parcels and that real property in general and the public at large do not share.

Within each Campus, except for the detention basins, the extent of the Benefit Zone 1 improvements to be maintained adjacent to a parcel does not impart a particular benefit over and above the special benefit received from maintenance of all the improvements required under the Specific Plan. Nor does the location or land use of a parcel impart a benefit over and above the special benefit received from maintenance of the improvements. Land uses are located to encourage development, limit potential competition and to attract customers or clientele.

The method of assessment under Benefit Zone 1 is based on benefit units with an acre equal to one benefit unit. Each numbered Lot within Benefit Zone 1 will be assessed benefit units equal to the gross acreage. Benefit units will be assessed based on each Lot's gross acreage shown on Assessor's Parcel Maps, less any area restricted for use by the Army Corp of Engineer's.

This method of assessment applies to all categories of the Benefit Zone 1 improvements and incidental expenses. Incidental expenses include annual engineering, inspection, insurance, legal, administration, and finance expenses incurred by LLMD 1, including the processing of payments and the submittal of billings to the Riverside County Auditor for placement on the tax roll.

It is noted that:

- Due to limited access, 15 acres (Benefit Zone 1 benefit units) have been discounted on Lot 68, TM 30857, North Campus, to reflect the limited level of development potential.
- Under the ownership of the Riverside County Transportation Commission, Lot 4, Tract 30857-2 was developed as a Metrolink Station site. The Metrolink will serve as a commuter rail, express bus, local bus and shuttle transfer facility.
- Development of the Metrolink site is consistent with the goals of the Transportation Demand Management Strategies set forth in the Specific Plan. Due to the benefit provided by the site and the site's limited frontage on Meridian Parkway, the assessed acreage (Benefit Zone 1 benefit units) on Lot 4, Tract 30857-2, has been reduced by 25%.
- The Army Corp of Engineer's has identified an ephemeral streambed that crosses Tract 37107 (Annexation No. 3). The streambed is the continuation of a conservation easement that prohibits development therein. To reflect the prohibition on development, the assessed area within Tract 37107 has been reduced to 111.7 acres. With final design and the surveyed designation of the restricted area, if less area is restricted, the area to be assessed will increase. If more area is restricted, the assessed area within Tract 37107 will remain at 111.7 acres.

The Specific Plan improvements are interrelated and the Benefit Zone 1 area within LLMD 1 benefits from the implementation of the Specific Plan. However, lots within a tract(s) where the improvements have been constructed benefit to a greater extent from the maintenance of the improvements. Additionally, lots within the tracts(s) that are occupied or under construction benefit to an even greater extent from the maintenance of the improvements.

To reflect the extent of benefit, each year the Benefit Zone 1 benefit units, within each Campus, will be assessed the current annual assessment in the following order:

1. Lots with Certificate of Occupancy or Building Foundation Permit issued prior to January 1 of the current fiscal year
2. Lots within a Tract Map recorded prior to January 1 of the current fiscal year
3. Lots within a phase where improvements have been constructed or were under construction prior to January 1 of the current fiscal year
4. Remainder Lots

All parcels in LLMD 1 are in Benefit Zone 1 or Benefit Zone 2. Lots within Benefit Zone 1 that are developed or to be developed as railroad, open space, park, channels, and detention basins are assessed zero benefit units.

The area within Benefit Zone 2 is a remainder area and is assessed zero benefit units. There are no improvements serviced, maintained or operated under Benefit Zone 2.

In general, the annual work to be performed under Benefit Zone 3 includes the maintenance, servicing and repair of the landscaping, landscape hardscape, irrigation system, and appurtenances located in the joint access easement across Lots 9 and 10, Tract 30857-2 that provides access from Meridian Parkway to Lots 4, 9 and 10, Tract 30857-2.

These Lots are further identified by the following Assessor Parcel Numbers:

Lot 4, Tract 30857-2, Assessor Parcel Number 297-100-036

Lot 9, Tract 30857-2, Assessor Parcel Number 297-100-041

Lot 10, Tract 30857-2, Assessor Parcel Number 297-100-042

Lots 4, 9 and 10, Tract 30857-2 benefit from the annual work to be performed under Benefit Zone 3. The method of assessment under Benefit Zone 3 is based on one benefit unit.

Until a grading permit was obtained for Lot 9 or Lot 10, Lot 4 benefited from and was assessed for the cost of the Benefit Zone 3 improvements. With the issuance of grading permits, the respective benefit and assessment for the cost of the Benefit Zone 3 improvements is Twelve and One-Half Percent (12.5%) for Lot 9, Twelve and One-Half Percent (12.5%) for Lot 10, with Lot 4 assessed the remaining Seventy-Five Percent (75%) of the Zone 3 costs.

It is noted that the Benefit Zone 3 assessments do not modify or preclude assessments levied on Lots 4, 9 and 10, Tract 30857-2, under Benefit Zone 1, North Campus.

To ensure joint access and provide for internal development, on February 27, 2014, as Instrument Number 2014-0075719, in the Office of the Recorder, County of Riverside, State of California, a document entitled "Amended and Restated Declaration of Easements, Covenants, Conditions and Restrictions (CC&Rs)", was recorded against Lots 4, 9 and 10, Tract 30857-2. The CC&Rs are consistent with the method of assessment under Benefit Zone 3. Said CC&Rs are hereby made a part of this report to the same extent as if attached hereto.

The Benefit Zone 3 improvements are an extension of the Meridian Parkway landscaping improvements that are maintained and improved under Benefit Zone 1. Benefit Zone 3 will be assessed for the costs associated with the Benefit Zone 3 improvements, including, but not limited to, regular maintenance and repairs, water and electric, dead plant replacement, mulch application, tree manicuring, and irrigation replacement and repairs.

On an annual basis, the total incidentals for Landscape and Lighting District No.1 (LLMD) will be prorated to the Benefit Zones based on each Benefit Zone's share of the annual maintenance costs for that fiscal year.

Based on the projected cash-flow, and annually thereafter, in order to provide sufficient funding through all phases of development, the maximum annual assessments under Benefit Zone 1, North Campus and South Campus, Benefit Zone 3 and Benefit Zone 4 are, subject to escalation factors, as listed below:

- The "Common Labor, Construction Cost Index", as published by Engineering News Record (ENR) in subsequent years,
- Utility rate increase(s) effective in subsequent years, current providers being:
 - Western Municipal Water District, and
 - Southern California Edison Company or March Joint Powers Utility Authority

The ENR Common Labor Construction Cost index is 1.10% over the prior year. Water utilities represent approximately 13.50% of the annual costs. With a cumulative Western Municipal Water District cost increase of 25.22% from the prior year, the total escalation factor for Fiscal Year 2023/2024 is 4.36%.

Accordingly, the effective and maximum annual assessment, all as subject to the above escalation factors, by Benefit Zone are summarized as follows:

Benefit Zone	Effective	Maximum
Benefit Zone 1, North Campus	\$2,351.49	\$2,351.49
Benefit Zone 1, South Campus	\$2,358.88	\$3,594.29
Benefit Zone 2	\$0.00	\$0.00
Benefit Zone 3	\$4,541.33	\$4,541.33
Benefit Zone 4	\$1,034.34	\$1,034.34

The following is a summary of the Zone 1 (North and South Campuses) and Benefit Zone 4 Benefit Units for the current fiscal year:

Fiscal Year 2023/2024 Benefit Units					
Campus	Permitted	Final Map	Construction	Undeveloped	Total
North Campus	463.13	35.37	103.32	18.80	620.62
South Campus	254.94	84.04	9.30	23.69	371.97
Zone 4	0.00	127.74	0.00	0.00	127.74
Total 2023/2024 Benefit Units	718.07	247.15	112.62	42.49	1,120.33

Note: There are 0 benefit units in Benefit Zone 2. There is one (1) benefit unit within Benefit Zone 3 which is included as part of the Benefit Zone 1, North Campus Permitted benefit unit category.

A summary of the Benefit Zone 1 assessments, for the current fiscal year, is listed as follows:

Fiscal Year 2023/2024 Benefit Zone Effective Assessments					
FY 2023/2024 Assessment Per Benefit Unit					
	Permitted	Final Map	Construction	Undeveloped	
North Campus	\$2,351.49	\$2,351.49	\$2,351.49	\$0.00	
South Campus	\$2,358.88	\$2,358.88	\$2,358.88	\$0.00	
FY 2023/2024 Total Assessments					
Campus	Permitted	Final Map	Construction	Undeveloped	Total
North Campus	\$1,089,044.37	\$83,171.96	\$242,955.86	\$0.00	\$1,415,172.19
South Campus	601,372.74	198,240.16	21,937.56	0.00	821,550.46
Total 2023/2024 Assessments	\$1,690,417.11	\$281,412.12	\$264,893.42	\$0.00	\$2,236,722.65

The following is a summary of the Zone 3 Benefit Units and Assessments for the current fiscal year:

APN	Benefit Units	Effective Assessment
297-100-036	0.750	\$3,406.00
297-100-041	0.125	567.67
297-100-042	0.125	567.67
Totals	1.000	\$4,541.33

The following is a summary of the Zone 4 Benefit Units and Assessments for the current fiscal year:

APN	Benefit Units	Effective Assessment
294-170-015	127.740	\$132,126.59

Reference is made to Part III, Cost Estimate for Details on the expenses assessed for Fiscal Year 2023/2024. For the specific assessment on each Lot and parcel within LLMD 1, for all improvements, for the Fiscal Year commencing July 1, 2023 to June 30, 2024 reference is made to Part IV, Assessment Roll included herein.

Part III- Cost Estimate

Fiscal Year 2023/2024 Cost Estimate Landscaping and Lighting Maintenance District No. 1 March Joint Powers Authority

Description	Proposed Budget 2023/2024				Total
	North Campus BZ 1	South Campus BZ 1	BZ 3	BZ 4	
ASSESSMENTS	\$1,415,172.19	\$821,550.46	\$4,541.33	\$132,126.59	\$2,373,390.57
Net Operating Revenue	\$1,415,172.19	\$821,550.46	\$4,541.33	\$132,126.59	\$2,373,390.57
Total Revenue	\$1,415,172.19	\$821,550.46	\$4,541.33	\$132,126.59	\$2,373,390.57
IMPROVEMENTS					
Traffic Signals	\$34,423.48	\$12,805.59	\$0.00	\$9,051.00	\$56,280.07
Lighting	38,346.03	26,714.11	0.00	9,354.00	74,414.20
Landscaping	663,614.75	292,549.48	1,809.03	58,406.00	1,016,379.25
Drainage	338,678.81	36,787.65	0.00	7,196.00	382,662.46
Street Sweeping	46,577.22	0.00	0.00	6,695.00	53,272.22
Graffiti Removal/Vandalism	1,572.75	1,350.57	0.00	420.00	3,343.32
Total Improvements Expenses	\$1,123,213.09	\$370,207.40	\$1,809.03	\$91,122.00	\$1,586,351.52
STORM DRAIN RESERVE FUND	\$115,757.83	\$110,221.49	\$911.50	\$0.00	\$226,890.82
ESTABLISHMENT OF RESERVES	\$0.00	\$0.00	\$0.00	\$22,780.19	\$22,780.19
INCIDENTAL EXPENSES					
Salaries and Wages	82,701.88	55,134.59	240.34	8,553.81	146,630.62
Benefits	18,879.69	12,586.46	55.06	1,952.72	33,473.93
Post Employment Benefits	0.00	0.00	0.00	0.00	0.00
PERS Contributions	16,182.60	10,788.40	47.20	1,673.76	28,691.95
Medicare Tax	1,348.56	899.04	3.93	139.48	2,391.01
Unemployment	0.00	0.00	0.00	0.00	0.00
Workers Compensation Ins.	1,078.84	719.22	3.14	111.58	1,912.79
Operations	8,990.32	5,993.55	26.22	929.86	15,939.95
Transportation/Communication	10,788.39	7,192.26	31.46	1,115.84	19,127.95
Insurance	6,562.93	4,375.28	19.13	678.80	11,636.14
Assessment Engineer	11,687.43	7,791.62	34.08	1,208.82	20,721.95
Professional Services	8,091.28	5,394.19	23.59	836.88	14,345.94
Publication	899.02	599.35	2.62	92.98	1,593.97
Contingency county cost	8,990.33	5,993.55	26.22	929.86	15,939.96
Total Incidental Expenses	\$176,201.26	\$117,467.51	\$513.00	\$18,224.40	\$312,406.17
Cash Balance Forward July 1, 2023	\$0.00	\$1,168,311.31	\$5,953.46	\$0.00	\$1,174,264.77
Revenue & Loan Payments	\$1,415,172.19	\$821,550.46	\$4,541.33	\$132,126.59	\$2,373,390.57
Expenses	1,415,172.19	597,896.40	3,233.52	132,126.59	2,148,428.70
Projected Net Revenue	\$0.00	\$223,654.06	\$1,307.81	\$0.00	\$224,961.87
ESTIMATED ENDING CASH RESERVES	\$0.00	\$1,391,965.37	\$7,261.27	\$0.00	\$1,399,226.65

Note: Totals may not tie due to rounding.

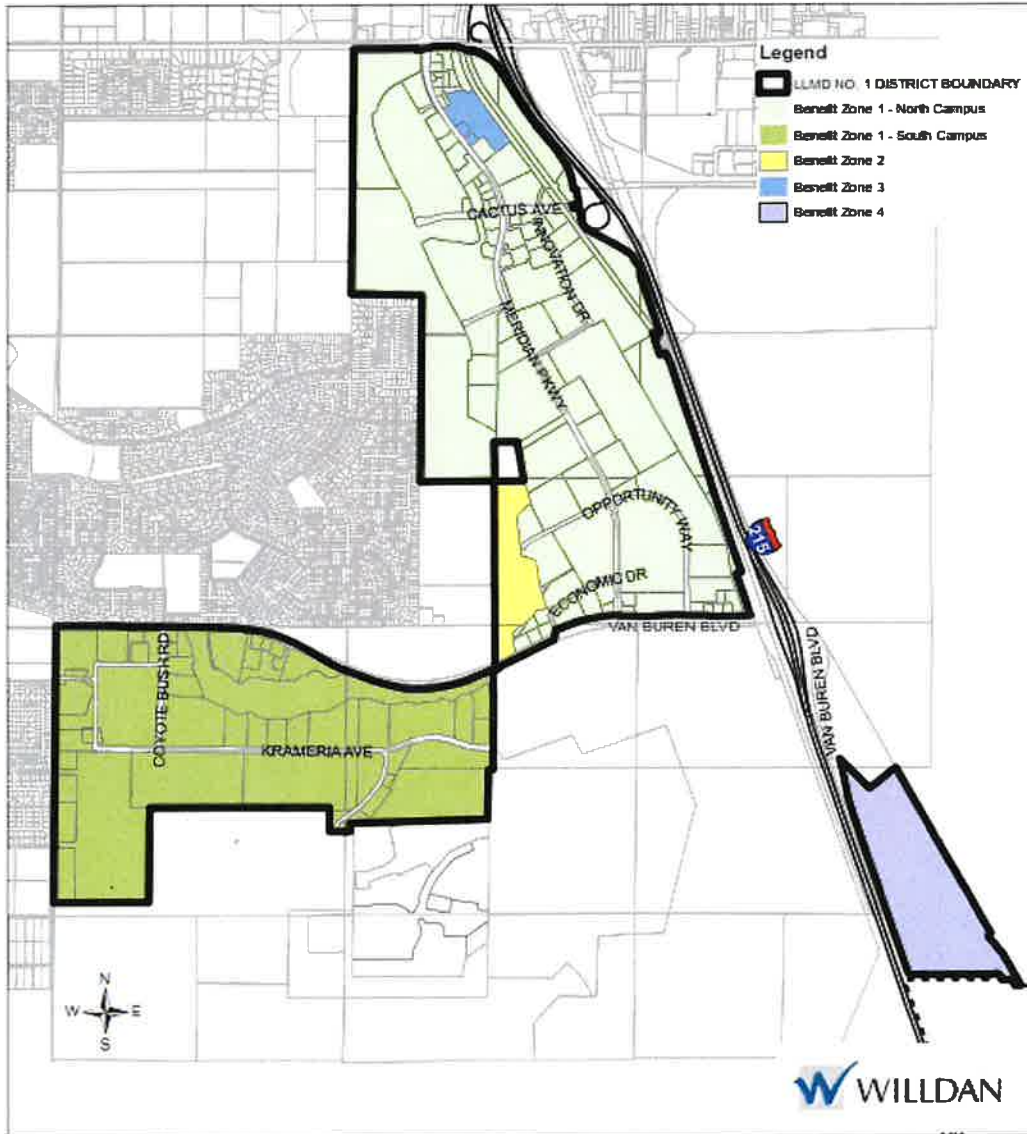
Part IV- Diagram

Landscaping and Lighting Maintenance District No. 1 March Joint Powers Authority

A diagram showing the exterior boundaries of Landscaping and Lighting Maintenance District No. 1, and the boundaries of the Benefit Zones within the District, is attached hereto. The diagram establishes the boundaries of the areas within the District, as the same existed at the time of the adoption of the Resolution of Intention and the initiation of these proceedings.

Reference is made to the County of Riverside Assessor's Maps for a detailed description of the lines and dimensions of any lots or parcels. The lines and dimensions of each lot shall conform to those shown on the County of Riverside Assessor's Maps for the fiscal year to which the "Report" applies.

**ASSESSMENT DIAGRAM OF
LANDSCAPING AND LIGHTING MAINTENANCE DISTRICT NO. 1
MARCH JOINT POWERS AUTHORITY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FISCAL YEAR 2023/2024**



Part V- Assessment Roll

Landscaping and Lighting Maintenance District No. 1 March Joint Powers Authority

For the specific assessment on each Lot and parcel within LLMD 1, for all improvements, for the Fiscal Year commencing July 1, 2023 to June 30, 2024, reference is made to the Assessment Roll following herein.

**March Joint Powers Authority
Landscaping and Lighting Maintenance District No. 1
Fiscal Year 2023/24 Preliminary Assessment Roll
(Sorted by Assessor's Parcel Number)**

Assessor's Parcel Number	Situs Address	Campus	Zone	Type	Benefit Units	Benefit Units - Zone 3	Charge
294-040-031	SITUS NOT AVAILABLE	North	1	Construction	25.24		\$59,351.60
294-040-035	21803 AUTHORITY WAY	North	1	Construction	8.60		20,222.80
294-040-037	SITUS NOT AVAILABLE	North	1	Construction	6.59		15,496.30
294-040-038	SITUS NOT AVAILABLE	North	1	Construction	8.56		20,128.74
294-050-080	15801 MERIDIAN PKWY	North	1	Permitted	24.62		57,893.68
294-050-081	SITUS NOT AVAILABLE	North	1	Final Map	6.37		14,978.98
294-070-025	15750 MERIDIAN PKWY	North	1	Permitted	45.00		105,817.04
294-070-031	22220 OPPORTUNITY WAY	North	1	Permitted	9.90		23,279.74
294-070-038	22000 OPPORTUNITY WAY	North	1	Permitted	26.92		63,302.10
294-070-039	SITUS NOT AVAILABLE	North	1	Final Map	2.10		4,938.12
294-070-040	22310 VAN BUREN BLVD	North	1	Permitted	1.43		3,362.62
294-070-041	22300 VAN BUREN BLVD	North	1	Permitted	1.31		3,080.44
294-070-043	22380 VAN BUREN BLVD	North	1	Permitted	9.08		21,351.52
294-070-044	SITUS NOT AVAILABLE	North	1	Final Map	6.47		15,214.14
294-070-045	22400 VAN BUREN BLVD	North	1	Permitted	1.58		3,715.34
294-070-046	22400 VAN BUREN BLVD	North	1	Permitted	0.99		2,327.96
294-070-047	22420 VAN BUREN BLVD	North	1	Permitted	1.14		2,680.68
294-070-048	22430 VAN BUREN BLVD	North	1	Permitted	0.90		2,116.34
294-070-049	SITUS NOT AVAILABLE	North	1	Permitted	2.35		5,526.00
294-070-050	SITUS NOT AVAILABLE	North	1	Final Map	0.84		1,975.24
294-100-020	20800 KRAMERIA AVE	South	1	Final Map	22.96		54,159.88
294-100-045	20201 CAROLINE WAY	South	1	Permitted	35.98		84,872.50
294-100-048	SITUS NOT AVAILABLE	South	1	Construction	1.17		2,759.88
294-100-049	SITUS NOT AVAILABLE	South	1	Construction	8.13		19,177.68
294-100-050	SITUS NOT AVAILABLE	South	1	Permitted	0.17		401.00
294-100-051	SITUS NOT AVAILABLE	South	1	Permitted	0.53		1,250.20
294-100-052	SITUS NOT AVAILABLE	South	1	Permitted	1.08		2,547.58
294-100-053	SITUS NOT AVAILABLE	South	1	Final Map	1.00		2,358.88
294-100-054	SITUS NOT AVAILABLE	South	1	Final Map	2.37		5,590.54
294-100-055	SITUS NOT AVAILABLE	South	1	Final Map	1.19		2,807.06
294-100-056	SITUS NOT AVAILABLE	South	1	Permitted	3.94		9,293.98
294-100-057	SITUS NOT AVAILABLE	South	1	Permitted	5.51		12,997.42
294-100-058	SITUS NOT AVAILABLE	South	1	Final Map	10.74		25,334.36
294-100-059	20820 KRAMERIA AVE	South	1	Final Map	5.98		14,106.10
294-100-060	20840 KRAMERIA AVE	South	1	Final Map	4.83		11,393.38
294-100-061	20880 KRAMERIA AVE	South	1	Final Map	3.97		9,364.74
294-100-062	20900 KRAMERIA AVE	South	1	Final Map	5.07		11,959.52
294-110-010	20801 KRAMERIA AVE	South	1	Permitted	48.02		113,273.40
294-110-011	20901 KRAMERIA AVE	South	1	Permitted	44.53		105,040.92
294-120-054	SITUS NOT AVAILABLE	South	1	Final Map	4.72		11,133.90
294-120-055	SITUS NOT AVAILABLE	South	1	Final Map	6.25		14,743.00
294-120-056	SITUS NOT AVAILABLE	South	1	Final Map	4.15		9,789.34
294-120-057	SITUS NOT AVAILABLE	South	1	Final Map	3.28		7,737.12
294-170-015	SITUS NOT AVAILABLE		4	Final Map	127.74		132,126.58
294-640-001	15001 MERIDIAN PKWY	North	1	Permitted	18.43		43,337.96
294-640-005	15001 MERIDIAN PKWY	North	1	Permitted	1.61		3,785.88
294-640-006	SITUS NOT AVAILABLE	North	1	Permitted	1.23		2,892.32
294-640-011	15001 MERIDIAN PKWY	North	1	Permitted	3.77		8,865.10
294-640-018	14800 MERIDIAN PKWY	North	1	Permitted	8.41		19,776.02
294-640-026	SITUS NOT AVAILABLE	North	1	Permitted	3.42		8,042.08
294-640-030	SITUS NOT AVAILABLE	North	1	Permitted	7.20		16,930.72
294-640-033	SITUS NOT AVAILABLE	North	1	Permitted	8.72		20,504.98
294-640-034	14950 MERIDIAN PKWY	North	1	Permitted	59.45		139,796.08
294-650-001	21800 OPPORTUNITY WAY	North	1	Permitted	5.02		11,804.46
294-650-002	21822 OPPORTUNITY WAY	North	1	Permitted	13.35		31,392.38

Assessor's Parcel Number	Situs Address	Campus	Zone	Type	Benefit Units	Benefit Units - Zone 3	Charge
294-650-003	15555 MERIDIAN PKWY	North	1	Permitted	7.04		16,554.48
294-650-010	SITUS NOT AVAILABLE	North	1	Final Map	0.19		446.78
294-650-011	15555 MERIDIAN PKWY	North	1	Permitted	3.23		7,595.30
294-670-001	SITUS NOT AVAILABLE	South	1	Permitted	8.99		21,206.32
294-670-002	SITUS NOT AVAILABLE	South	1	Permitted	6.39		15,073.24
294-670-003	SITUS NOT AVAILABLE	South	1	Permitted	4.57		10,780.08
294-670-004	20801 KRAMERIA AVE	South	1	Permitted	78.46		185,077.72
294-670-005	SITUS NOT AVAILABLE	South	1	Permitted	2.94		6,935.10
294-680-004	SITUS NOT AVAILABLE	South	1	Permitted	1.16		2,736.30
294-680-005	20631 VAN BUREN BLVD	South	1	Permitted	0.89		2,099.40
294-680-006	20641 VAN BUREN BLVD	South	1	Permitted	1.44		3,396.78
294-690-002	SITUS NOT AVAILABLE	South	1	Permitted	7.31		17,243.40
294-690-003	SITUS NOT AVAILABLE	South	1	Final Map	3.07		7,241.76
294-690-004	SITUS NOT AVAILABLE	South	1	Final Map	0.95		2,240.92
294-690-005	SITUS NOT AVAILABLE	South	1	Permitted	3.03		7,147.40
294-690-006	SITUS NOT AVAILABLE	South	1	Final Map	3.51		8,279.66
294-701-001	21840 VAN BUREN BLVD ##1	North	1	Final Map	0.81		1,904.70
294-701-002	SITUS NOT AVAILABLE	North	1	Final Map	0.81		1,904.70
294-701-003	21830 VAN BUREN BLVD ##2	North	1	Final Map	0.59		1,387.36
294-701-004	21810 VAN BUREN BLVD ##3	North	1	Final Map	0.90		2,116.34
294-701-005	21800 VAN BUREN BLVD ##4	North	1	Final Map	0.56		1,316.82
294-701-006	21820 VAN BUREN BLVD ##5	North	1	Final Map	0.45		1,058.16
294-701-008	21770 VAN BUREN BLVD ##6	North	1	Final Map	0.91		2,139.84
294-701-009	21790 VAN BUREN BLVD ##7	North	1	Final Map	1.20		2,821.78
294-701-010	21780 VAN BUREN BLVD ##8	North	1	Final Map	1.20		2,821.78
294-701-011	21760 VAN BUREN BLVD ##9	North	1	Final Map	0.91		2,139.84
294-701-012	21760 VAN BUREN AVE	North	1	Final Map	0.91		2,139.84
294-701-014	21850 VAN BUREN BLVD ##10	North	1	Final Map	0.84		1,975.24
294-701-015	21860 VAN BUREN BLVD ##11	North	1	Final Map	0.95		2,233.90
294-701-016	21870 VAN BUREN BLVD ##12	North	1	Final Map	1.11		2,610.14
294-701-018	21880 VAN BUREN BLVD	North	1	Final Map	1.45		3,409.66
294-710-001	21550 VAN BUREN BLVD	North	1	Permitted	1.65		3,879.94
294-710-002	21650 VAN BUREN BLVD	North	1	Permitted	1.21		2,845.30
294-710-003	21750 VAN BUREN BLVD	North	1	Permitted	1.34		3,150.98
294-710-004	21700 VAN BUREN BLVD	North	1	Permitted	1.51		3,550.74
294-710-005	21600 VAN BUREN BLVD	North	1	Permitted	1.42		3,339.10
297-100-036	14160 MERIDIAN PKWY	North	3	Permitted	10.85	0.75	28,919.66
297-100-037	SITUS NOT AVAILABLE	North	1	Permitted	2.62		6,160.90
297-100-038	14350 MERIDIAN PKWY	North	1	Permitted	8.54		20,081.72
297-100-041	14140 MERIDIAN PKWY	North	3	Permitted	0.95	0.13	2,801.58
297-100-042	14200 MERIDIAN PKWY ##13	North	3	Permitted	0.70	0.13	2,213.70
297-100-047	SITUS NOT AVAILABLE	North	1	Permitted	3.10		7,289.60
297-100-048	SITUS NOT AVAILABLE	North	1	Permitted	1.85		4,350.24
297-100-064	14205 MERIDIAN PKWY	North	1	Permitted	3.29		7,736.40
297-100-065	14305 MERIDIAN PKWY	North	1	Permitted	3.28		7,712.88
297-100-083	SITUS NOT AVAILABLE	North	1	Construction	1.71		4,021.04
297-100-084	21600 CACTUS AVE	North	1	Construction	19.75		46,441.92
297-100-085	SITUS NOT AVAILABLE	North	1	Construction	0.37		870.04
297-110-046	21800 AUTHORITY DR	North	1	Construction	32.50		76,423.42
297-110-047	SITUS NOT AVAILABLE	North	1	Permitted	1.75		4,115.10
297-110-048	SITUS NOT AVAILABLE	North	1	Final Map	1.38		3,245.04
297-110-049	SITUS NOT AVAILABLE	North	1	Final Map	1.39		3,268.56
297-230-011	SITUS NOT AVAILABLE	North	1	Permitted	2.34		5,502.48
297-230-012	SITUS NOT AVAILABLE	North	1	Permitted	0.88		2,069.30
297-230-025	14530 INNOVATION DR	North	1	Permitted	4.06		9,547.04
297-230-026	14540 INNOVATION DR	North	1	Permitted	5.53		13,003.72
297-230-031	14600 INNOVATION DR	North	1	Permitted	26.89		63,231.56
297-231-002	14575 INNOVATION DR	North	1	Permitted	1.05		2,469.06
297-231-005	14575 INNOVATION DR	North	1	Permitted	0.01		23.50

Assessor's Parcel Number	Situs Address	Campus	Zone	Type	Benefit Units	Benefit Units - Zone 3	Charge
297-231-006	14575 INNOVATION DR	North	1	Permitted	16.53		38,870.12
297-231-007	14538 MERIDIAN WAY	North	1	Permitted	1.38		3,245.04
297-231-008	14528 MERIDIAN WAY	North	1	Permitted	2.81		6,607.68
297-231-009	14518 MERIDIAN PKWY	North	1	Permitted	3.08		7,242.58
297-231-010	21801 CACTUS AVE	North	1	Permitted	0.95		2,233.90
297-231-011	21803 CACTUS AVE	North	1	Permitted	1.33		3,127.48
297-231-012	14519 INNOVATION DR	North	1	Permitted	2.40		5,643.56
297-231-013	14529 INNOVATION DR	North	1	Permitted	1.96		4,608.92
297-231-014	14539 INNOVATION DR	North	1	Permitted	3.24		7,618.82
297-231-015	14605 INNOVATION DR	North	1	Permitted	8.78		20,646.08
297-231-016	14555 MERIDIAN PKWY	North	1	Permitted	10.80		25,396.08
297-232-004	14813 MERIDIAN PKWY	North	1	Permitted	29.41		69,157.32
297-232-005	14751 MERIDIAN PKWY	North	1	Permitted	5.63		13,238.88
297-232-006	SITUS NOT AVAILABLE	North	1	Final Map	3.03		7,125.00
297-233-001	21804 CACTUS AVE ##1-1	North	1	Permitted	0.24		564.34
297-233-002	21804 CACTUS AVE ##1-2	North	1	Permitted	0.14		329.20
297-233-003	21804 CACTUS AVE ##1-3	North	1	Permitted	0.15		352.72
297-233-004	21804 CACTUS AVE ##1-4	North	1	Permitted	0.18		423.26
297-233-005	21804 CACTUS AVE ##1-5	North	1	Permitted	0.13		305.68
297-233-006	21804 CACTUS AVE ##1-6	North	1	Permitted	0.55		1,293.30
297-233-007	CACTUS AVE ##2-1	North	1	Permitted	0.19		446.78
297-233-008	CACTUS AVE ##2-2	North	1	Permitted	0.13		305.68
297-233-009	CACTUS AVE ##2-3	North	1	Permitted	0.15		352.72
297-233-010	CACTUS AVE ##2-4	North	1	Permitted	0.18		423.26
297-233-011	CACTUS AVE ##3-1	North	1	Permitted	0.19		446.78
297-233-012	CACTUS AVE ##3-2	North	1	Permitted	0.19		446.78
297-233-013	CACTUS AVE ##3-3	North	1	Permitted	0.18		423.26
297-233-014	21800 CACTUS AVE ##3-4	North	1	Permitted	0.19		446.78
297-233-015	21800 CACTUS AVE ##4-1	North	1	Permitted	0.12		282.16
297-233-016	21800 CACTUS AVE ##4-2	North	1	Permitted	0.15		352.72
297-233-017	21800 CACTUS AVE ##4-3	North	1	Permitted	0.14		329.20
297-233-018	21800 CACTUS AVE ##5-1	North	1	Permitted	0.23		540.84
297-233-019	21800 CACTUS AVE ##5-2	North	1	Permitted	0.25		587.86
297-233-020	21800 CACTUS AVE ##5-3	North	1	Permitted	0.16		376.22
297-233-021	21800 CACTUS AVE ##5-4	North	1	Permitted	0.16		376.22
297-233-022	21828 CACTUS AVE ##6-1	North	1	Permitted	0.14		329.20
297-233-023	21828 CACTUS AVE ##6-2	North	1	Permitted	0.18		423.26
297-233-024	21828 CACTUS AVE ##6-3	North	1	Permitted	0.13		305.68
297-233-025	21828 CACTUS AVE ##6-4	North	1	Permitted	0.13		305.68
297-233-026	21832 CACTUS AVE ##7-1	North	1	Permitted	0.16		376.22
297-233-027	21832 CACTUS AVE ##7-2	North	1	Permitted	0.09		211.62
297-233-028	21832 CACTUS AVE ##7-3	North	1	Permitted	0.14		329.20
297-233-029	21832 CACTUS AVE ##7-4	North	1	Permitted	0.13		305.68
297-233-030	21800 CACTUS AVE ##8-1	North	1	Permitted	0.15		352.72
297-233-031	21800 CACTUS AVE ##8-2	North	1	Permitted	0.23		540.84
297-233-032	21800 CACTUS AVE ##8-3	North	1	Permitted	0.19		446.78
297-233-033	21800 CACTUS AVE ##8-4	North	1	Permitted	0.16		376.22
297-233-034	21800 CACTUS AVE ##9-1	North	1	Permitted	1.07		2,516.08
297-233-035	21800 CACTUS AVE ##10-1	North	1	Permitted	1.07		2,516.08
297-240-001	14477 MERIDIAN PKWY	North	1	Permitted	0.71		1,669.54
297-240-003	14457 MERIDIAN PKWY	North	1	Permitted	0.85		1,998.76
297-240-004	14437 MERIDIAN PKWY	North	1	Permitted	0.81		1,904.70
297-240-005	14407 MERIDIAN PKWY	North	1	Permitted	0.61		1,434.40
297-240-006	14417 MERIDIAN PKWY ##6	North	1	Permitted	0.47		1,105.20
297-241-001	14467 MERIDIAN PKWY ##A	North	1	Permitted	0.26		611.38
297-241-002	14467 MERIDIAN PKWY	North	1	Permitted	0.26		611.38
297-241-004	14427 MERIDIAN PKWY ##7A	North	1	Permitted	0.26		611.38
297-241-005	14427 MERIDIAN PKWY ##7B	North	1	Permitted	0.26		611.38
297-241-006	14427 MERIDIAN PKWY ##7C	North	1	Permitted	0.26		611.38

Assessor's Parcel Number	Situs Address	Campus	Zone	Type	Benefit Units	Benefit Units - Zone 3	Charge
297-241-007	14427 MERIDIAN PKWY ##7D	North	1	Permitted	0.26		611.38
297-241-008	14427 MERIDIAN PKWY ##7E	North	1	Permitted	0.26		611.38
297-241-009	14427 MERIDIAN PKWY ##7F	North	1	Permitted	0.26		611.38
297-241-010	14427 MERIDIAN PKWY ##7G	North	1	Permitted	0.26		611.38
297-241-011	14427 MERIDIAN PKWY ##7H	North	1	Permitted	0.26		611.38
297-241-012	14427 MERIDIAN PKWY ##7I	North	1	Permitted	0.26		611.38
297-241-013	14427 MERIDIAN PKWY ##7J	North	1	Permitted	0.26		611.38
297-270-001	14120 MERIDIAN PKWY ##1	North	1	Permitted	0.57		1,340.34
297-270-002	14130 MERIDIAN PKWY	North	1	Permitted	0.42		987.62
297-270-003	14100 MERIDIAN PKWY ##3	North	1	Permitted	0.51		1,199.24
297-270-004	14080 MERIDIAN PKWY	North	1	Permitted	0.74		1,740.10
297-270-005	14060 MERIDIAN PKWY	North	1	Permitted	0.43		1,011.14
297-270-006	14020 MERIDIAN PKWY	North	1	Permitted	0.92		2,163.36
297-270-007	14000 MERIDIAN PKWY	North	1	Permitted	1.06		2,492.56
297-270-008	14040 MERIDIAN PKWY	North	1	Permitted	1.91		4,491.34
297-270-009	14068 MERIDIAN PKWY	North	1	Permitted	0.72		1,693.06
297-270-010	14078 MERIDIAN PKWY	North	1	Permitted	1.03		2,422.02
297-270-011	14118 MERIDIAN PKWY ##11	North	1	Permitted	0.83		1,951.72
297-270-012	SITUS NOT AVAILABLE	North	1	Permitted	0.23		540.84
Totals:					1,077.84	1.00	\$2,373,390.56

**MARCH JOINT POWERS AUTHORITY
TECHNICAL ADVISORY COMMITTEE
OF THE
MARCH JOINT POWERS AUTHORITY**

***Reports, Discussion and Action
Agenda Item No. 6b***

Meeting Date: June 5, 2023

Report/Discussion: CUP 22-03: Car Wash - Veterans Plaza Commercial Center
Van Buren Boulevard, Riverside, CA

Applicant: Greens INV 11, LLC

Background:

Veterans Plaza Project consists of a commercial/service center within the North Campus of the Meridian Specific Plan Area, specifically at the northeast corner of Van Buren Boulevard and Opportunity Way. Veterans Plaza, proposed to be developed in two phases, consists of a 14.4-acre site that will be used for a mix of commercial uses, including hotels, convenience store, gas station, fast food, restaurants, dining, and retail uses. The total building area on-site is approximately 219,695 square feet and includes 606 parking spaces.

On April 12, 2017 the March Joint Powers Commission adopted Resolution #JPA 17-03, approving a Master Conditional Use Permit (CUP 16-01), Plot Plan (PP 16-02), Tentative Tract Map (TM 37116), allowing for the subdivision of the project site pursuant to the Subdivision Map Act, into ten (10) lots, each with a lot of area of 30,000 sq. ft. minimum, and Variance (V16-01) for the development of a Commercial Center and Construction of Ten Buildings on Unit 4, Lot 4 within the Meridian Specific Plan (SP-5). The Commission also adopted Resolution #JPA 17-04 adopting an Addendum to the Certified Subsequent Environmental Impact Report for the Meridian Specific Plan Amendment. Finally, the Commission held the public hearing and first reading on Ordinance #JPA 17-01 to modify the Meridian Specific Plan (SP-5) to allow hotels in the B2 airport compatibility zone, subject to conditional use permit approval, consistent with current Riverside County Airport Land Use Commission (ALUC) restrictions.

On April 26, 2017, the Commission held a public hearing and second reading, and approved Ordinance #JPA 17-01.

On four occasions, November 29, 2018, September 19, 2019, February 3, 2021, and July 14, 2022, the Planning Director for the March Joint Power Authority, approved Determination of Substantial Conformances for Plot Plan 16-02. The Substantial Conformances mentioned above addressed minor modifications to the approved Plot Plan and Conditional Use Permit, including:

- Reorientation of the project site,
- Minor change in Project phasing,
- Reduction in total building square footages and building locations,

- Elimination of one driveway entry along Opportunity Way,
- Minor modifications to the approved building elevations,
- Additional fuel pumps (2) for the Gas Station, and
- Site Circulation, Queuing, and Additional Parking in relation to In-&-Out.

The changes associated with the previously approved development project are in substantial conformance with Plot Plan 16-02, approved by the Joint Powers Commission on April 12, 2017. It should be noted that the approved changes/modifications allowed the developer flexibility and to meet market demands while staying consistent with the original plot plan approval.

Proposed Project:

In December 2022, March JPA Staff received an application for a Conditional Use Permit (CUP) to allow for a drive through car wash within the Veterans Plaza Commercial Center. Specifically, the CUP is for the following:

- Conditional Use Permit (CUP 22-03): The proposed CUP would allow for the development of a 3,596 square foot, automated drive-through car wash facility on a 0.87-acre (36,109 sq. ft.) site. The primary entrance to the car wash facility is oriented toward the Sysco Way/Opportunity Drive-drive aisle, leading into three stacking lanes, which will accommodate up to 15 cars. Customers will pay for service at the pay station and then proceed to the car wash tunnel, approximately 108 feet in length, and remain in their car during the car wash cycle.

Upon exiting the carwash tunnel, customers will have the option of exiting the facility entirely or moving their vehicle to a covered vacuum/detailing area, with parking stalls which will accommodate up to 9 cars. The car wash facility will also include 3 onsite parking stalls, 5 bicycle parking spaces, one trash enclosure, landscaping, and associated paving. The building is single-story with varying building heights and a tower feature, with a maximum height of 29 feet. The building will also include a vending machine sales area, office, employee lounge, restroom and equipment room. The occupant load is approximately 928 square feet.

The project has been designed in accordance with the Meridian North Specific Plan (SP-5) Development Standards. At this time, the Applicant is in negotiations, to lease the facility to the Quick Quack Car Wash Company. The facility will have up to four employees, working in two shifts, depending on demand.

Current Review Status:

As of the preparation of this staff report, Staff has completed their initial review of the proposed project and have provided comments to the Applicant. The Applicant is in the process of making application to ALUC for project review/consideration.

In addition, the applicant has asked Staff to review/consider an interpretation for the proposed car wash. Currently, a *Car Wash* use is omitted from the list of permitted and conditional uses in the Meridian Specific Plan Land Use Table (Table III-1). However, the March JPA’s Development Code, not only lists a car wash as a specific use but is also listed as a permitted use if the use is more than 300 feet away from a residential zone or requires a Conditional Use Permit if the use is less than 300 feet away from a residential zone. As such, Staff is reviewing the Applicant’s request and supporting documentation, along with the Development Code and

Specific Plan, to determine if the Car Wash use would be allowed to proceed as a permitted use or require a Conditional Use permit approval. The preliminary determination is that the car wash would be allowed subject to Conditional Use Permit approval, as it is similar to and no more objectionable than other permitted and conditional uses, including automotive service stations, convenience sales, fast food restaurants and automotive parts and accessory sales.

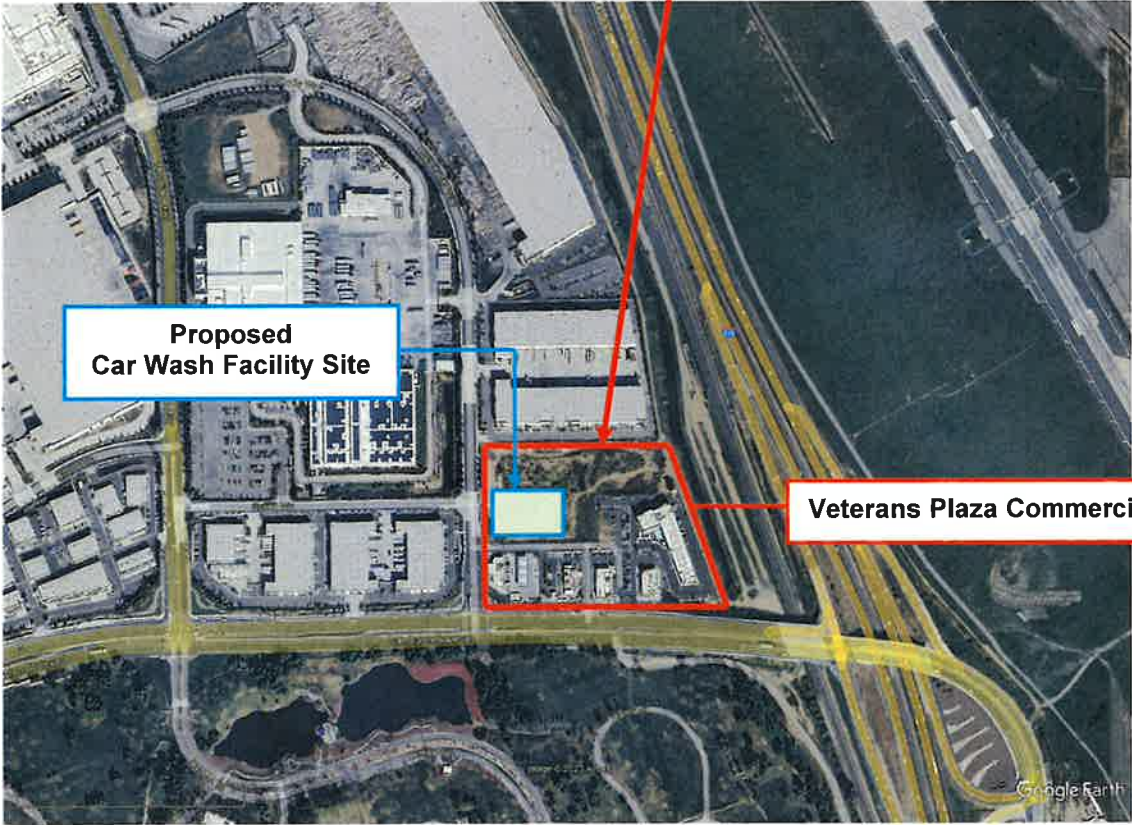
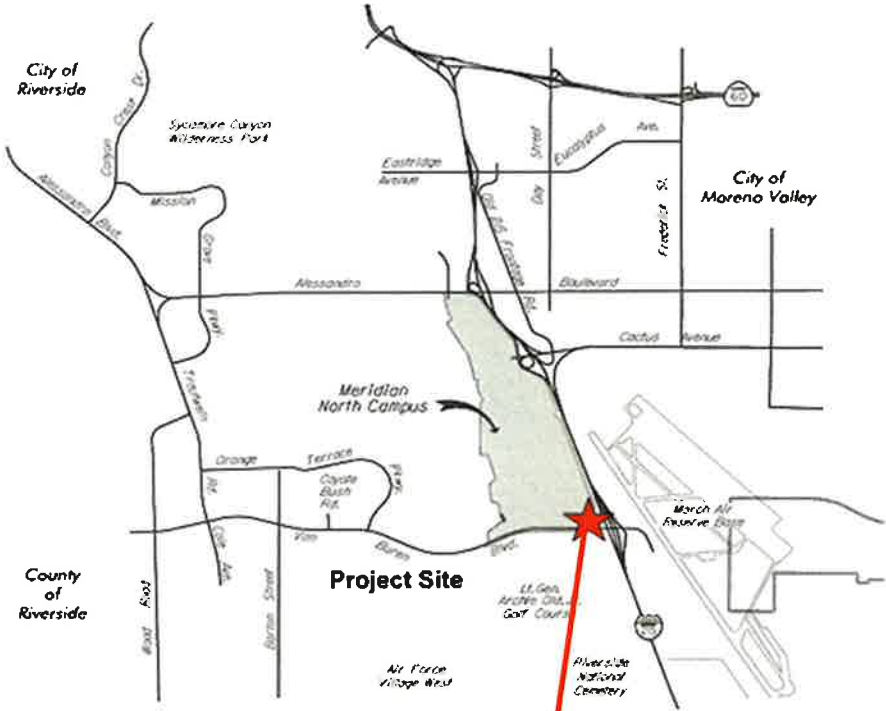
Commission Hearing:

It is anticipated that CUP 22-03 may be considered by the March Joint Powers Commission in August or September 2023.

Attachments:

- 1) Veterans Plaza Commercial Center Vicinity Map
- 2) Veterans Plaza Commercial Center Site Plan
- 3) Car Wash Plan Set
 - a. Site Plan
 - b. Building Elevations
 - c. Landscape Plan

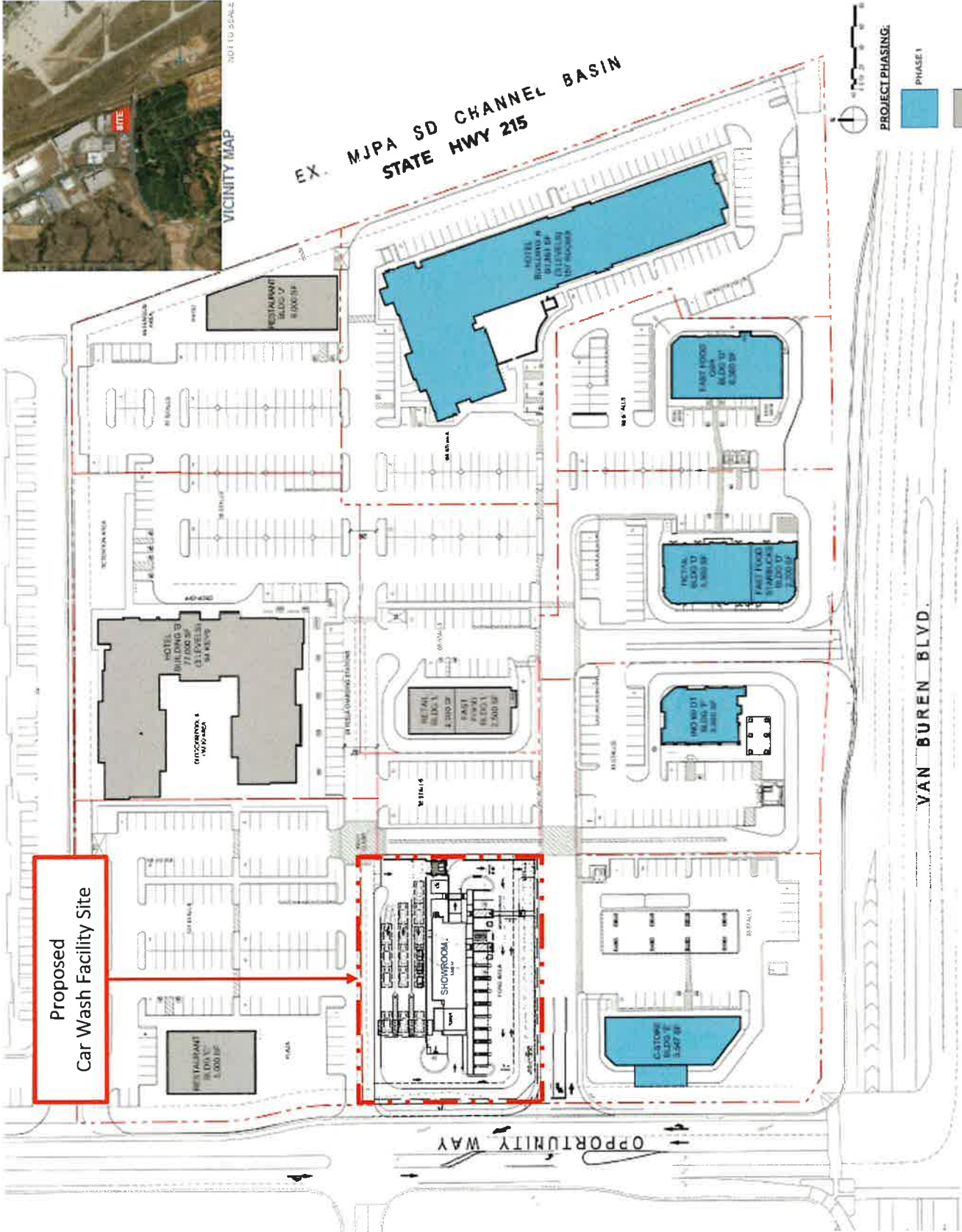
ATTACHMENT 1:
Veterans Plaza Commercial Center: Project Vicinity Map



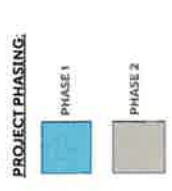
ATTACHMENT 2:
Veterans Plaza Commercial Center Site Plan



EX. MJPA SD CHANNEL BASIN
STATE HWY 215



Proposed
Car Wash Facility Site



VAN BUREN BLVD.

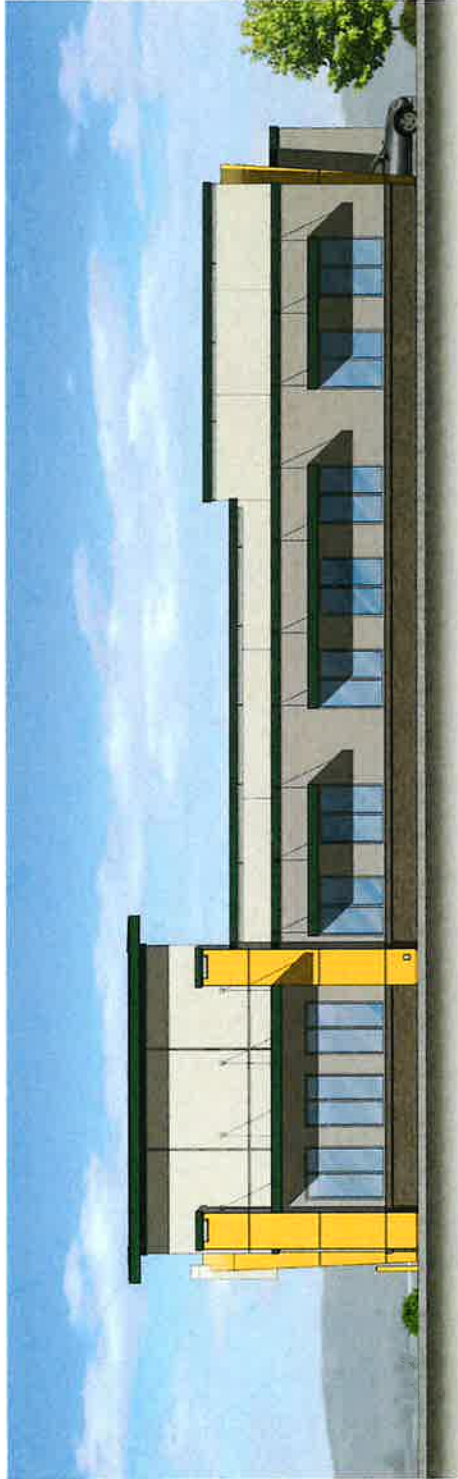
Veterans Plaza Commercial Center Site Plan

ATTACHMENT 3:
CUP 22-03

Car Wash Plan Set:
Site Plan, Building Elevations, Landscape Plan

Color Legend:

-  Premium Williams # 1004
White
-  Premium Williams # 1004
Light Gray
-  Premium Williams # 1004
Dark Green
-  Premium Williams # 1004
Yellow
-  Premium Williams # 1004
Brown
-  Premium Williams # 1004
Dark Green
-  Premium Williams # 1004
Light Gray
-  Premium Williams # 1004
Dark Green
-  Premium Williams # 1004
Light Gray
-  Premium Williams # 1004
Dark Green
-  Premium Williams # 1004
Light Gray
-  Premium Williams # 1004
Dark Green



South Elevation



West Elevation

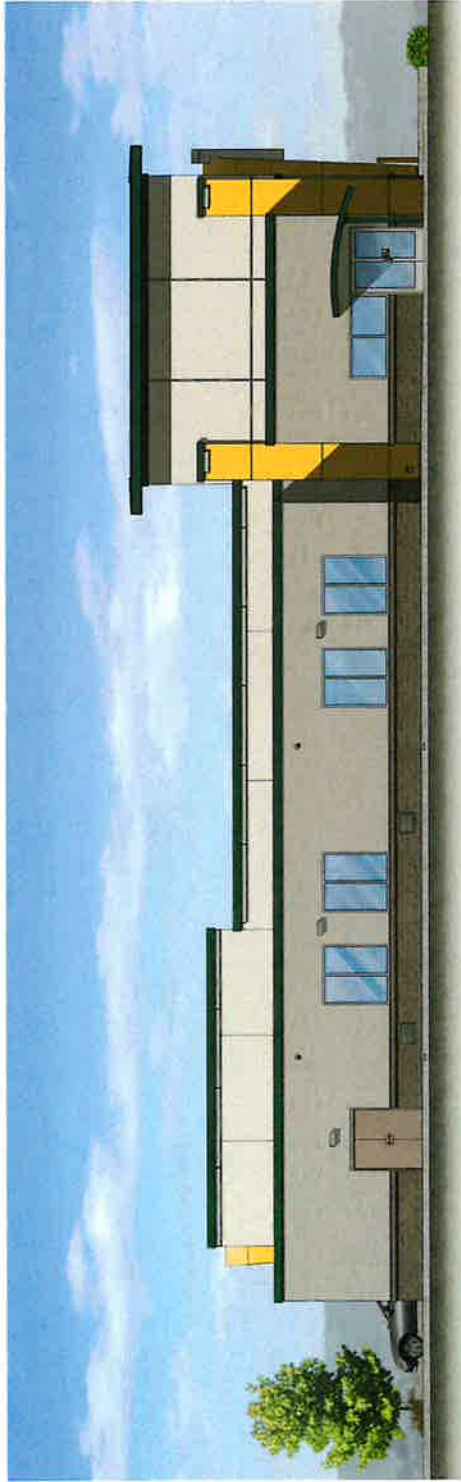
A800 - Colored Exterior Elevations

Site # 44-296

Van Buren Blvd & I-215

Riverside, CA





North Elevation



East Elevation

Color Legend:

- Stieren Williams #704 Powdercoat
- Stieren Williams #765B Clear Clearcoat
- Stieren Williams #702 Quick Quack Green
- Stieren Williams #705B Decora 2.0 Body
- Stieren Williams #7025 Rock Stone
- Boral Smooth Hatched Face CMU #705 Dark Gray
- Precision Face CMU #33 Dark Gray
- Boral Smooth Hatched Face CMU #229 Light Gray



**MARCH JOINT POWERS AUTHORITY
TECHNICAL ADVISORY COMMITTEE
OF THE
MARCH JOINT POWERS AUTHORITY**

***Reports, Discussion and Action
Agenda Item No. 6c***

Meeting Date: June 5, 2023

Report/Discussion: First Amendment to the Sublease Agreement between March Field Museum Foundation and the Metropolitan Water District

Applicant: Metropolitan Water District

Background:

March Joint Powers Authority and March Field Museum Foundation, Inc. entered into a Lease Agreement in April 2000, for property commonly referred to as March Field Air Museum (MFAM). In accordance with Subsection 17 of the Lease, MFAM must gain concurrence from the March Joint Powers Commission (JPC) on any potential sublease by the Museum to another entity.

On August 10, 2022, the JPC approved a Sublease Agreement between MFAM and the Metropolitan Water District (MWD) to assist in the of completion of the Perris Valley Pipeline Project (PVPP) by allowing MWD to stage construction and store equipment on MAFM premises. The Sublease Agreement included a Description of Property, Term of Sublease, Rent, Authorized Use of Property and Improvements, and Insurance and Indemnity. The term of the sublease agreement is for two (2) years, commencing on September 1, 2022, and ending on August 31, 2024, with an option to extend the sublease agreement for two (2) additional six (6)-month periods.

Now, MWD and MFAM desire to amend the sublease agreement by adding a section, “Paved Access”, for the maintenance and future paving of a temporary access road.

First Amendment

The First Amendment to the Sublease Agreement states that the Sublessee (MWD) will maintain the temporary access road, as shown on Exhibit “A”, Attachment 1, in its currently existing condition throughout the construction of the PVP Project and may add crushed rock and asphalt millings as needed. Upon expiration of the Sublease, MWD will pave the temporary access road consistent with applicable laws and regulations.

Commission Hearing:

The Amendment will be considered by the March Joint Powers Commission on June 14, 2023.

Attachment: Amendment No. 1 to Sublease Agreement

ATTACHMENT 1

Amendment No. 1

March Field Air Museum / Metropolitan Water District
Sublease Agreement

AMENDMENT NO. 1 TO SUBLEASE AGREEMENT

Perris Valley Pipeline I-215 Crossing
MWD Parcel No. PEVAL1-01-766TEA1
APN's 294-140-013; 294-150-009

THE SUBLEASE AGREEMENT ("Sublease") executed September 13, 2022, between MARCH FIELD AIR MUSEUM (hereinafter referred to as "Sublessor"), and THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA, a public corporation (hereinafter referred to as "Sublessee"), and acknowledged and consented by The MARCH JOINT POWERS AUTHORITY (hereinafter referred to as "Property Owner" or "Landlord"), is hereby amended by adding in its entirety the following Section 7.1:

7.1 Paved Access. Sublessee will maintain the temporary access road, as shown on sheet G-16 attached hereto as Exhibit "A", in its currently existing condition throughout the construction of Sublessee's project and may add crushed rock and asphalt millings as needed. Upon expiration of the Sublease, Sublessee will pave the temporary access road in a workmanlike manner consistent with applicable laws and regulations.

Except as herein amended, all terms and conditions of the Sublease shall continue in full force and effect.

This Amendment No. 1 to Sublease Agreement may be executed in any number of counterparts and all such counterparts and faxed copies of the counterparts and other pages of this Amendment shall be deemed an original and shall be deemed the same instrument. Electronic signatures shall be deemed original signatures for the purposes of this Amendment.

Sublessor:

MARCH FIELD AIR MUSEUM

By: _____

Jamil Dada
Board President

Date: _____

Sublessee:

THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

Adel Hagekhalil
General Manager

By: _____

Shane Chapman
Asst. General Manager/Operations

Date: _____

Amendment No.1 to Sublease Agreement
MWD Parcel No. PEVAL1-01-766TEA1
APN's 294-140-013; 294-150-009

- 2 -

The undersigned, Landlord under the Lease, hereby consents to the foregoing Amendment No. 1 to Sublease Agreement.

Property Owner:

MARCH JOINT POWERS AUTHORITY

By: _____

Dr. Grace Martin
Executive Director

Date: _____

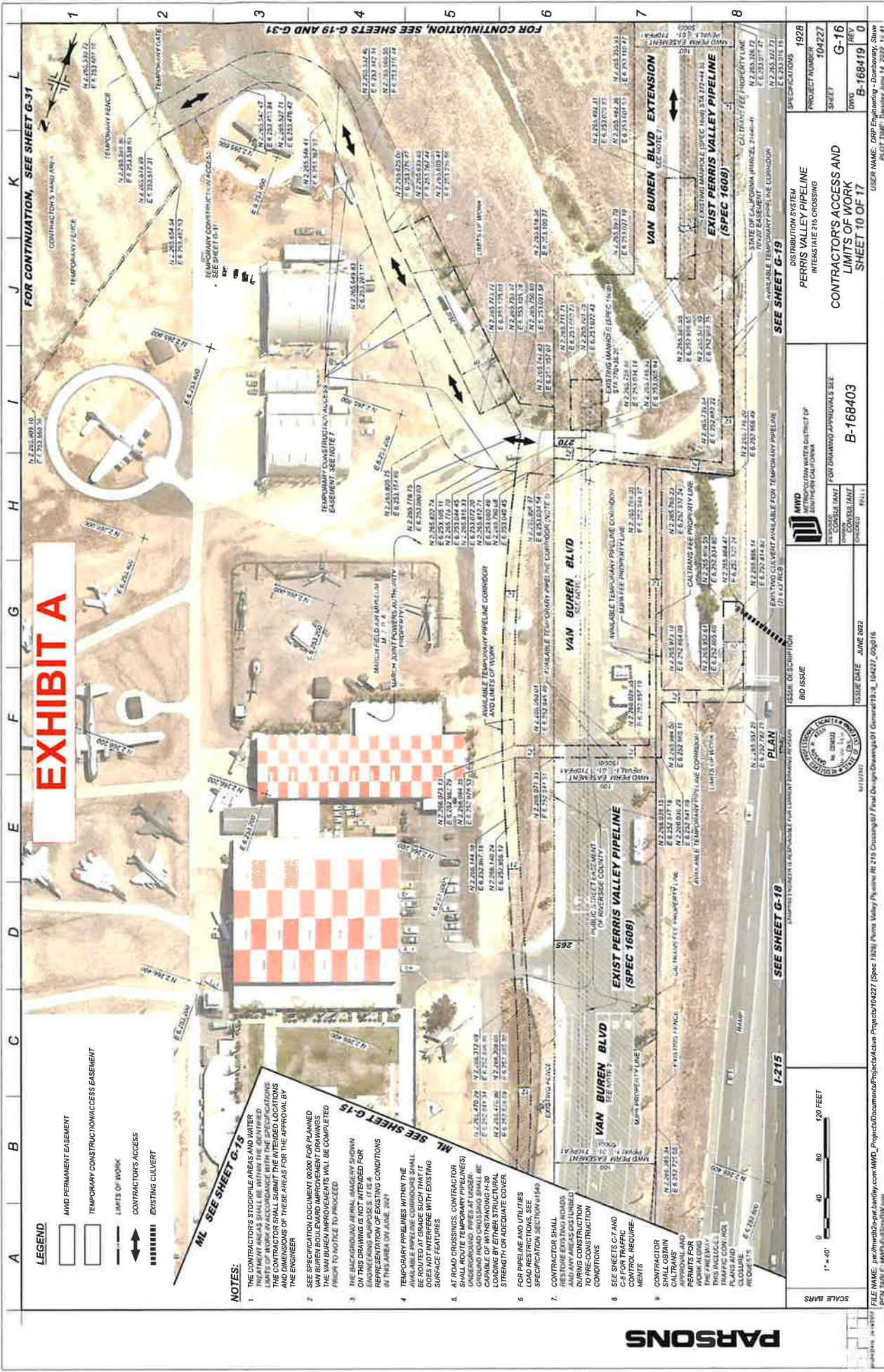


EXHIBIT A

- LEGEND**
- MWD PERMANENT EASEMENT
 - TEMPORARY CONSTRUCTION ACCESS EASEMENT
 - LIMITS OF WORK
 - CONTRACTOR'S ACCESS
 - EXISTING CULVERT

NOTES:

1. THE CONTRACTOR'S STOCKPILE AREAS AND WATER TREATMENT BASINS SHALL BE WITHIN THE IDENTIFIED LIMITS OF WORK IN ACCORDANCE WITH THE SPECIFICATIONS AND THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING THE NECESSARY PERMITS AND EASEMENTS FROM THE ENGINEER.
2. SEE SPECIFICATIONS DOCUMENT PRIOR FOR PLANNED WORK. THE VAN BUREN BLVD IMPROVEMENTS WILL BE COMPLETED PRIOR TO NOTICE TO PROCEED.
3. THE BACKGROUND AIRMAIL ALLEGEDLY SHOWN ON THIS DRAWING IS NOT INTENDED FOR ENGINEERING PURPOSES. IT IS A REPRESENTATION OF EXISTING CONDITIONS AS OF THIS DATE OF ISSUE, 2022.
4. TEMPORARY PIPELINES WITHIN THE AVAILABLE PIPELINE CORRIDORS SHALL BE CONSTRUCTED TO MEET ALL SPECIFICATIONS AND SHALL NOT INTERFERE WITH EXISTING SURFACE FEATURES.
5. AT ROAD CROSSINGS, CONTRACTOR SHALL ROUTE TEMPORARY PIPELINES UNDER EXISTING PAVEMENT. UNDERGROUND PIPES AT UNDERGROUND ROAD CROSSINGS SHALL BE PROTECTED BY EITHER STRUCTURAL STRENGTH OR ADEQUATE COVER.
6. FOR PIPELINE AND UTILITIES LOAD RESTRICTIONS, SEE SPECIFICATION SECTION #1849.
7. CONTRACTOR SHALL RESTORE EXISTING ROADS AND ANY AREAS DAMAGED DURING CONSTRUCTION TO ORIGINAL OR BETTER CONDITIONS.
8. SEE SHEETS C7 AND C8 FOR CONTRACTOR REQUIREMENTS.
9. CONTRACTOR SHALL OBTAIN CALTRANS APPROVAL AND APPROVAL AND APPROVAL FOR WORK ALONG THE HIGHWAY. THIS INCLUDES THE PRELIMINARY WORK PLANS AND CLOSURE REQUESTS.

SCALE BARS

1" = 40'

0 40 80 120 FEET

ISSUE DATE: JUNE 2022
ISSUE NUMBER: 104227_009116

PROJECT NUMBER: 1928
SHEET: 104227
DWG: B-168419
REV: 0

CONTRACTOR'S ACCESS AND LIMITS OF WORK SHEET 10 OF 17

DISTRIBUTION SYSTEM
 PARRIS VALLEY PIPELINE
 INTERSTATE 215 CROSSING

CONTRACTOR'S ACCESS AND LIMITS OF WORK SHEET 10 OF 17

MWD
 METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

FOR DRAWING APPROVAL SEE CONSULTANT

B-168403

USER NAME: DRP Engineering - Lombardy, Steve
PLST TIME: Thursday, June 14, 2023 11:41

**MARCH JOINT POWERS AUTHORITY
TECHNICAL ADVISORY COMMITTEE
OF THE
MARCH JOINT POWERS AUTHORITY**

***Reports, Discussion and Action
Agenda Item No. 6d***

Meeting Date: June 5, 2023

Report/Discussion: Introduction to the Meridian Storm Drain Extension Project

Applicant: Meridian Park, LLC

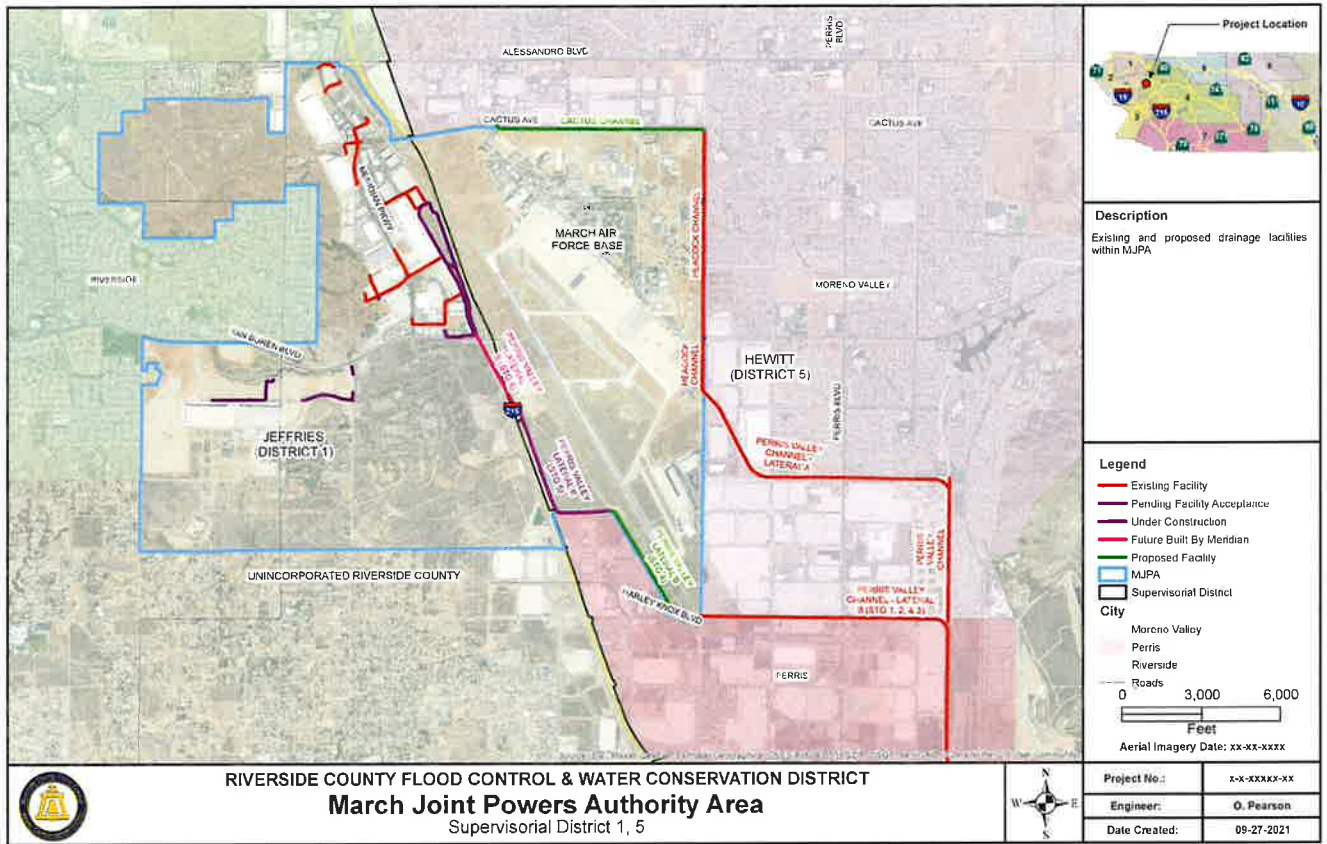
Background:

The Meridian Business Park conveys onsite stormwater flows to the southwest corner of Van Buren Boulevard and the I-215 freeway. Additionally, the Riverside National Cemetery conveys flows to four existing culverts south of Van Buren Boulevard and north of the Western Water Wastewater Treatment Plant (WWTP). Currently, both of these stormwater flows travel east through culverts under the I-215 freeway and outlet onto March Air Reserve Base.

The Perris Valley Channel Lateral B Project is a seven-stage project which will ultimately route stormwater flows west of Interstate 215 to the Perris Valley Storm Drain Lateral B, east of March Air Reserve Base. Provided below is an exhibit showing the different stages.

- Stage 1, 2 and 3: Existing facility.
- Stage 4: Environmental review in progress by Flood Control (Lead Agency), plan check in progress and at 90% drawings (Project # 4-0-0009). Construction estimated to begin in Fall/Winter 2023.
- Stage 5: Environmental review completed, construction completed in 2022, MOU executed on 04-27-2021 and Cooperative Agreement executed on 06-08-2021.
- Stage 6 (Topic of Today's Discussion): Environmental review is in progress, at-risk plan check of 60% drawings (MS 209) in review by Flood Control, Meridian Park submitted an application to Flood Control to begin drafting the Cooperative Agreement, and the Third Amendment to the Memorandum of Understanding between March JPA and Meridian Park, LLC. addressing the Stage 6 and Stage 7 Drainage Facilities was executed on September 28, 2022.

Figure 1: Perris Valley Channel Lateral B Stages



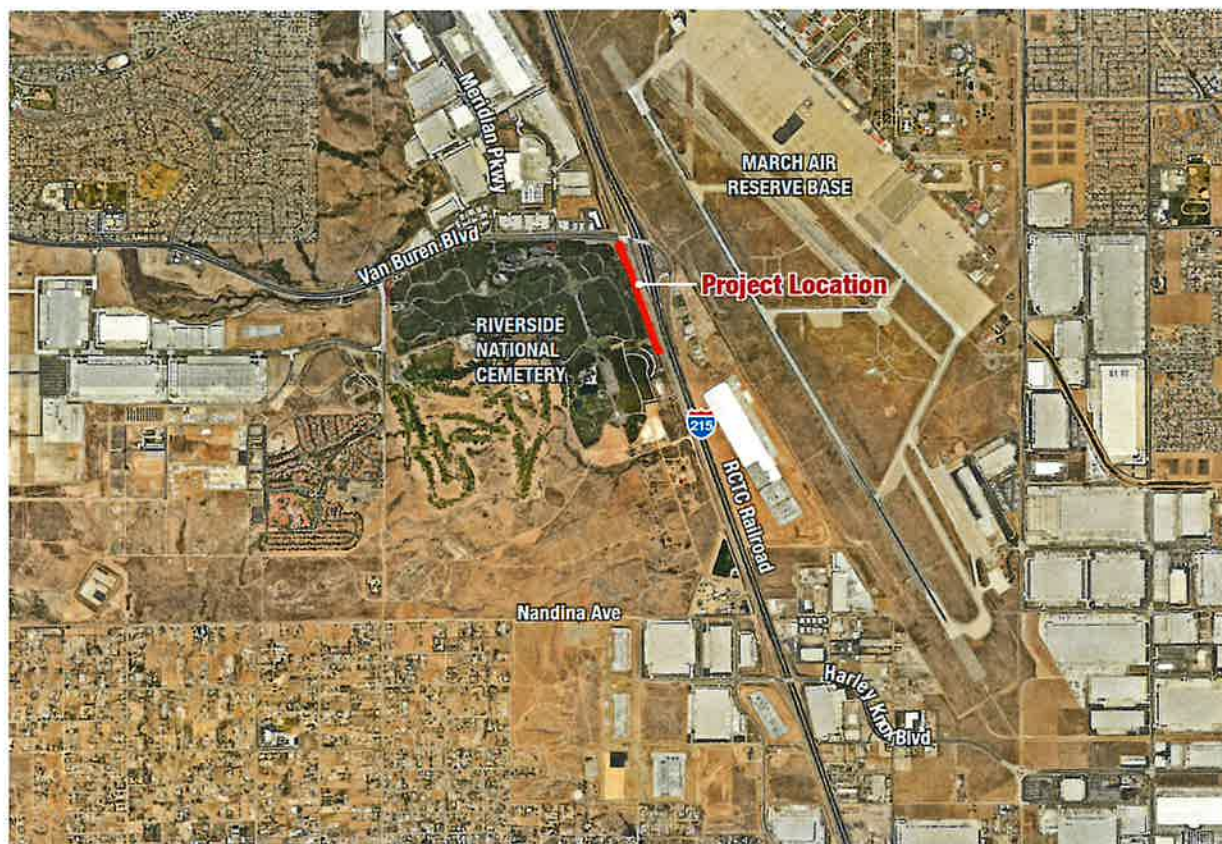
On January 05, 2017, the U.S. Department of Veterans Affairs granted a 40-foot-wide easement to the March JPA for right-of-way of sanitary and storm sewer line work along Avenue A where Stage 6 is planned. The sewer line work was completed in 2020 and is now maintained by Western Water. Today, environmental work is in progress for Stage 6 of the storm sewer line.

Surrounding Area/Land Use:

The proposed Project alignment is located within unincorporated Riverside County on the west side of the Interstate 215 and south of Van Buren Boulevard along Avenue A. The alignment traverses the eastern edge of the Riverside National Cemetery located at 22495 Van Buren Blvd, Riverside, California, 92518.

[FIGURE ON FOLLOWING PAGE]

Figure 2: Vicinity Map



Project Overview:

Storm Drain Extension

The project consists of a master planned storm drain improvement project along the west side of I-215 freeway, south of Van Buren Boulevard, and adjacent to the Riverside National Cemetery to the west and south, and the Riverside County Transportation Commission (RCTC) railroad right-of-way to the east. The existing project site consists of a drainage ditch with disturbed vegetation and developed land cover. The ditch conveys flows south to an existing culvert at the RCTC Railroad right-of-way. Flows are then conveyed east underneath the railroad and into an earthen median where an existing Caltrans culvert picks up the flow and conveys it directly into Perris Valley Channel Line B. Once constructed, the proposed project would provide a direct connection of Perris Valley Channel Line B from the Van Buren culvert to the RCTC culvert at the termination of the project site.

The project would construct an underground 6-foot by 4-foot reinforced concrete box (RCB) from an existing 6-foot by 3-foot RCB at Van Buren Boulevard, extending approximately 2,350 linear feet south and connecting to existing dual 48-inch reinforced concrete pipes at the RCTC railroad right-of-way. The project would also include the removal and replacement of portions of Avenue A, and the removal and replacement of an existing retaining wall.

The limits of construction along the proposed storm drain alignment would be within an approximately 36-foot-wide area along the 2,350-foot alignment. In addition to these improvements, trenching, staging of material, replacement of a retaining wall, and replacement of portions of Avenue A along the alignment would occur. The 36-foot area is within an existing

40-foot sanitary sewer and storm sewer easement.

Staging Area

An approximately 0.11-acre construction staging area would be located on the south side of Van Buren Boulevard between the sewer line and storm drain alignments. This area is where construction equipment and materials would be temporarily stored during the construction process, which is estimated to take six months. Once construction activities are complete, this area would be restored to existing conditions and would remain undeveloped. With the staging area, the total project footprint is approximately 2.02 acres.

Operations

Operational activities associated with the proposed project would occur within the existing 40-foot sanitary sewer and storm drain easement from the VA and would include maintenance and inspections as determined by the Riverside County Flood Control and Water Conservation District (RCFD). A draft Cooperative Agreement is currently being prepared by RCFD. As described above, the storm drain is a planned infrastructure improvement intended to remedy an existing deficiency within the March Business Center Specific Plan area. The capacity of the storm drain has been sized to serve the existing and planned development within this Specific Plan area. The 60% drawings are currently in review by Flood Control (MS 209).

Figure 3: Site Plan



Analysis of Project Proposal:

Conformance with the March Joint Powers Authority General Plan:

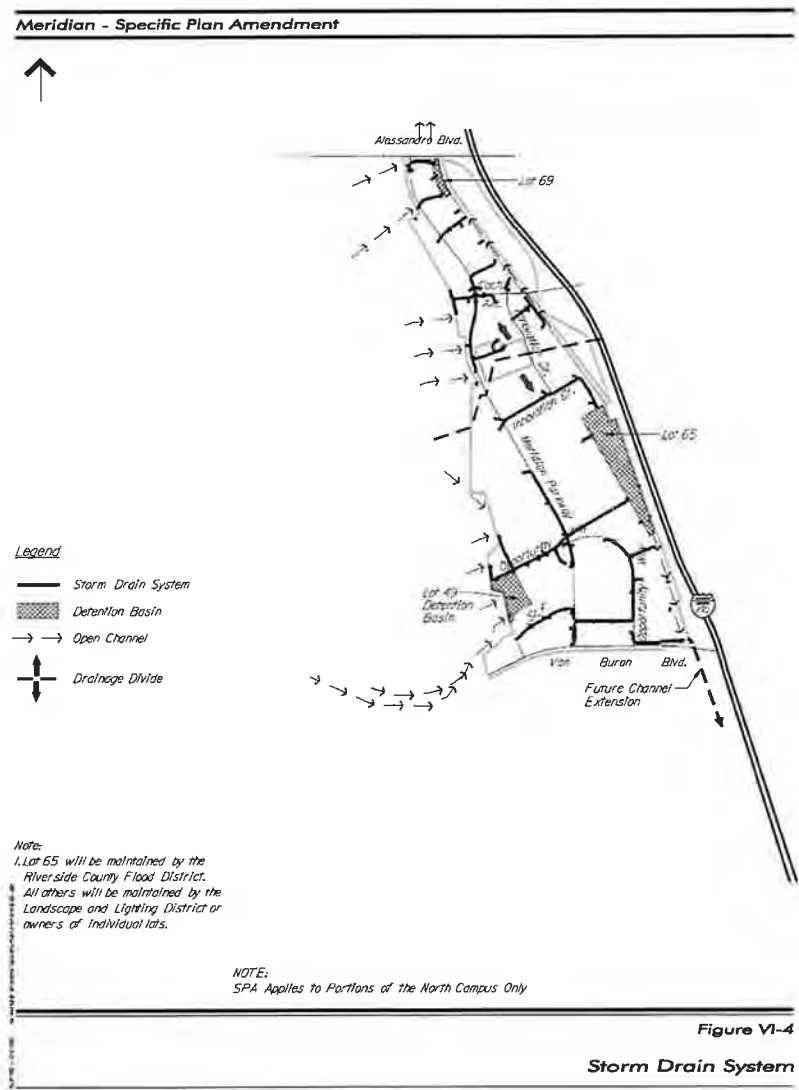
The General Plan, adopted in 1999, was designed to implement the 1997 March Air Force Base Master Reuse Plan, which included the disposal and redevelopment of approximately 4,400 acres of the former March Air Reserve Base. The General Plan identifies land use, circulation, environmental, economic, and social goals and policies as they relate to land use and

development. The March JPA General Plan was amended on February 19, 2003 to be consistent with the March Business Center Specific Plan (SP-1) and was amended a second time on July 10, 2003 to be consistent with the Meridian Specific Plan (SP-5).

Conformance with the Meridian Specific Plan (SP-5):

The March Business Center Specific Plan was amended on July 21, 2010 (“Meridian Specific Plan Amendment”) to revise the framework of development within a 257.7-acre portion of the original Specific Plan’s North Campus. The Specific Plan Amendment (SP-5, aka “Meridian”) maintained the original Specific Plan land use designations that included Business Park, Industrial, Commercial, Office, Mixed Use, and Park/Recreation and Open Space, but made minor modifications to increase the land area available for Mixed Use and Commercial development. A Drainage Plan was prepared to identify and size drainage facilities for this Specific Plan Amendment and was a supplement to the March Air Force Base Reuse Drainage Plan prepared by Riverside County Flood Control for the entire General Plan Area, which identified a future channel extension south of Van Buren Boulevard.

Figure 4: Meridian Specific Plan Storm Drain System Exhibit



California Environmental Quality Act (CEQA) Analysis:

A Mitigated Negative Declaration (MND) has been prepared and is currently in review by staff. It is anticipated that the MND will circulate during the 2nd quarter of 2023. The circulation period will be for 30 days per State CEQA Guidelines Section 21091(b). Staff will notify our member agencies and the public of the comment period the same day the Notice of Intent is filed with the County of Riverside Recorder's Office.

AB 52 Consultation:

Consultation with Native American tribes under AB 52 is triggered if a project results in an MND. Notices requesting consultation were sent certified mail on August 25, 2022. Both the Agua Caliente Band of Cahuilla Indians and the Soboba Band of Luiseno Indians requested consultation for the Project. Consultation began in October 2022 and is still ongoing with the Soboba Tribe. The Agua Caliente Tribe closed consultation on March 28, 2023.

National Environmental Policy Act (NEPA) Analysis:

A separate NEPA document will be prepared to analyze the environmental impacts to the Riverside National Cemetery as the result of construction and operation of the proposed Project. It is anticipated the environmental review would consist of a Categorical Exclusion under Item 2, 8 and 13 of the below list from the Department of Veteran Affairs NEPA Guidance document.

Chart 1 - VA Categorical Exclusions List *

1. Repair, replacement, and new installation of primary or secondary electrical distribution systems;
2. Repair, replacement, and new installation of components such as windows, doors, roofs; and site elements such as sidewalks, patios, fences, retaining walls, curbs, water distribution lines, and sewer lines which involve work totally within VA property boundaries;
3. Routine VA grounds and facility maintenance activities;
4. Procurement activities for goods and services for routing facility operations maintenance and support;
5. Interior construction or renovation;
6. New construction of 75,000 gross square feet or less;
7. Development of 20 acres of land or less within an existing cemetery, or development on acquired land of five acres or less;
8. Actions which involve support or ancillary appurtenances for normal operation;
9. Leases, licenses, permits, and easements;
10. Reduction in force resulting from workload adjustments, reduced personnel or funding levels, skill imbalances or other similar causes;
11. VA policies, actions and studies which do not significantly affect the quality of the human environment;
12. Preparation of regulations, directives, manuals or other guidance that implement, but do not substantially change, the regulations, directives, manuals, or other guidance of higher organizational levels or another Federal agency; and
13. Actions, activities, or programs that do not require expenditure of Federal funds.

* 38 CFR Part 26.6(b)(1)

Current Review Status:

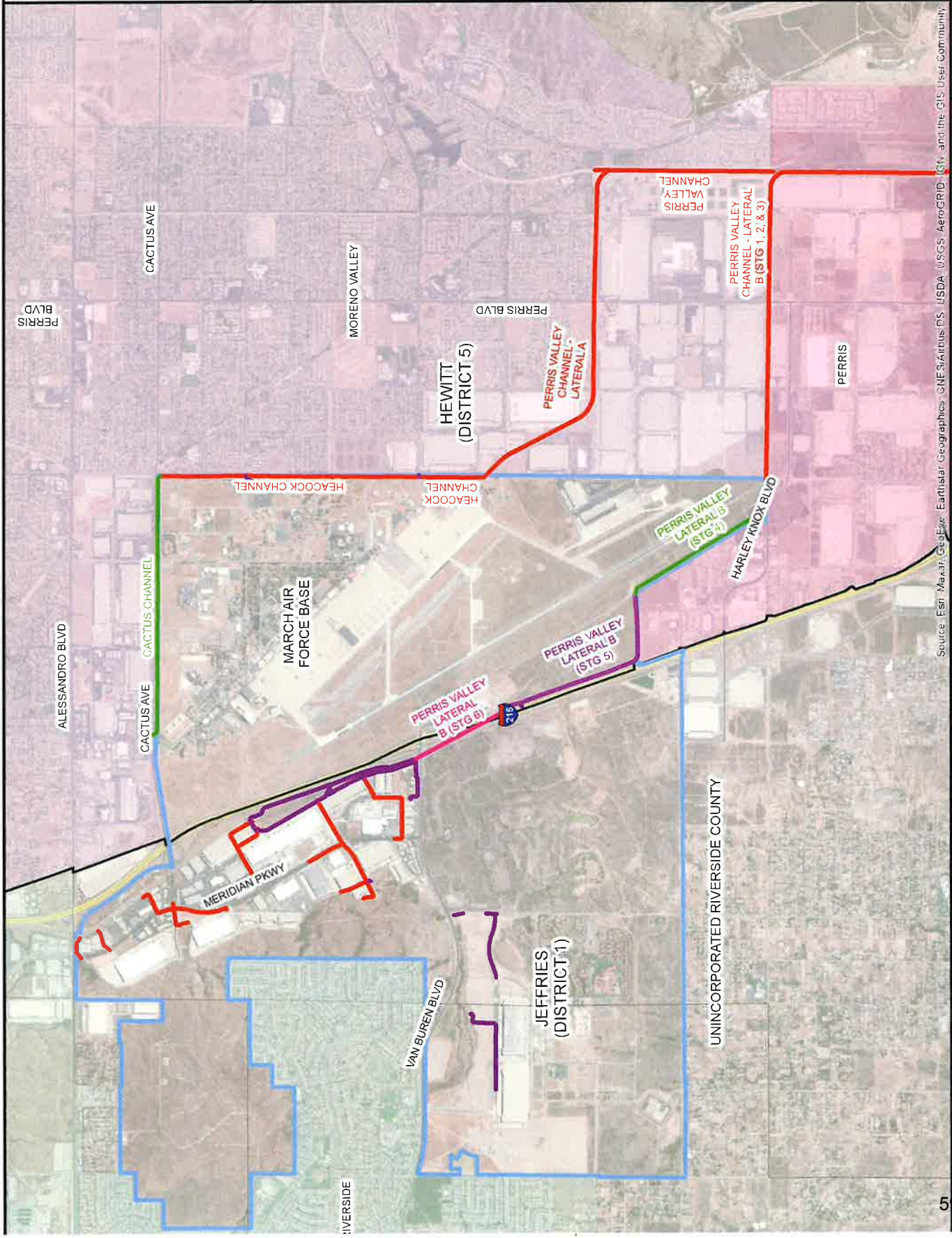
The third admin draft of the MND is currently in review by staff. Circulation of the MND will likely occur in the 2nd quarter of 2023. At-risk construction drawings (MS 209) are currently in review by Riverside County Flood Control. An application has been submitted to Flood Control to begin drafting a Cooperative Agreement to address inspections, acceptance, operation, and maintenance of the proposed Stage 6 improvements.

Schedule:

The project will likely go to the Commission for consideration in late Summer/early Fall. The schedule is dependent upon how quickly the Cooperative Agreement is drafted and reviewed by all parties and approved by the Riverside County Board of Supervisors.

Attachments:

- 1) Perris Valley Channel Lateral B Map
- 2) Alignment Map
- 3) Deed of Easement from U.S. Department Veterans Affairs.



Source: Esri, Maxar, GeoEye, Earthstar, Geographic, USDA, USGS, AeroGRID, IGN, and the GIS User Community



RIVERSIDE COUNTY FLOOD CONTROL & WATER CONSERVATION DISTRICT
March Joint Powers Authority Area
 Supervisorial District 1, 5



Description
 Existing and proposed drainage within MJPA

Legend

- Existing Facility
- Pending Facility Account
- Under Construction
- Future Built By Merid
- Proposed Facility
- MJPA
- Supervisorial District

City

- Moreno Valley
- Perris
- Riverside
- Roads

0 3,000 Feet

Aerial Imagery Date: >

Project No.:	x
Engineer:	
Date Created:	

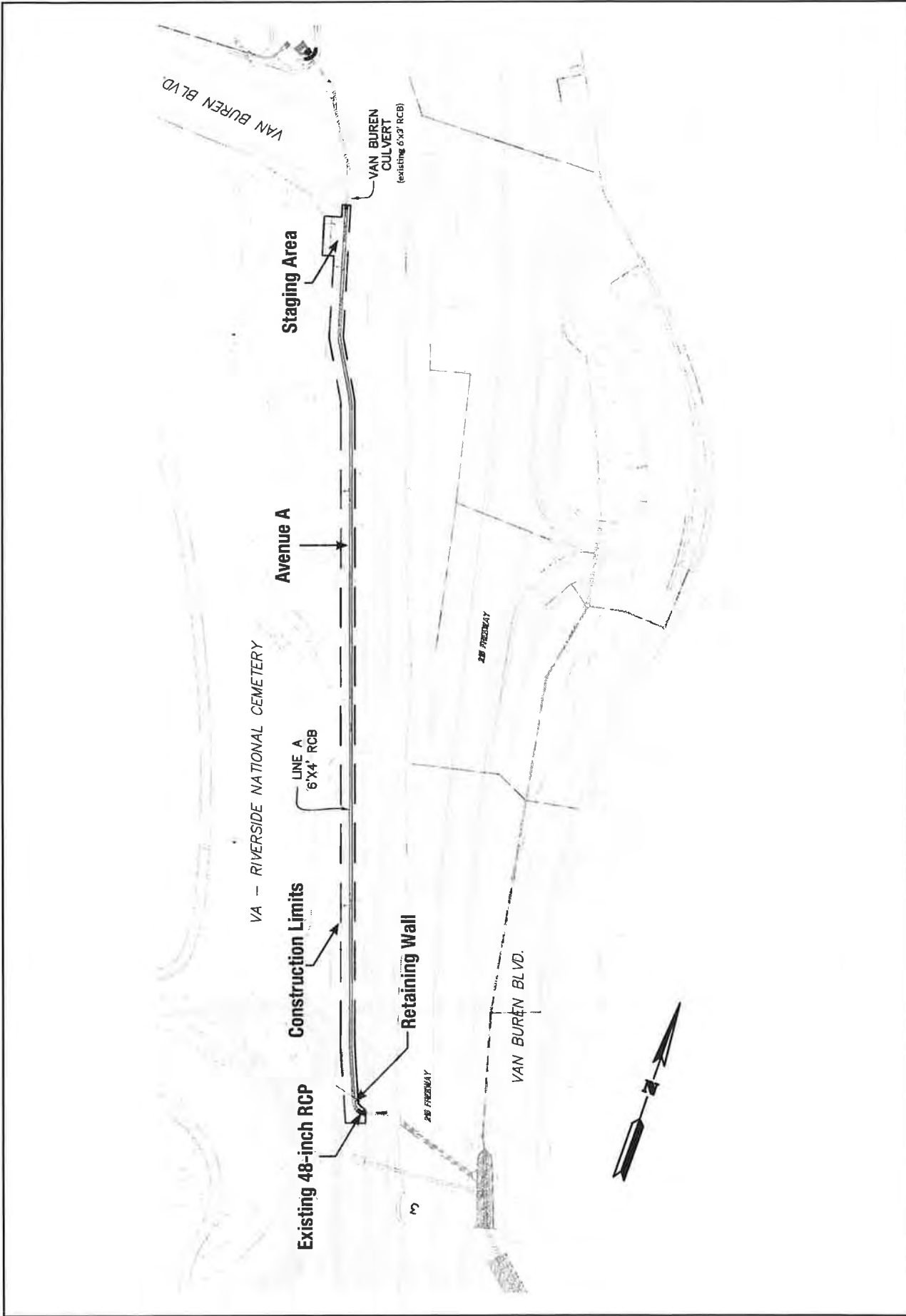


FIGURE 4A: Site Plan
 Meridian Storm Drain Pipeline Extension
 Riverside, CA

Recording Requested By and
When Recorded Mail To:

March Joint Powers Authority
Attn: Executive Director
14205 Meridian Parkway, Ste. 140
Riverside, CA 92518

2017-0006005

01/05/2017 01:21 PM Fee: \$ 0.00

Page 1 of 13

Recorded in Official Records
County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder



580

DTT: 0
APN: 294120006

Space above this line for Recorder's use only
Fee Exempt Govt. Code § 27383

DEED OF EASEMENT

The U.S. Department of Veterans Affairs, acting for and in behalf of the United States of America, hereby grants and conveys to March Joint Powers Authority an easement and right of way for the Riverside National Cemetery. The easement is granted for sanitary and storm sewer line work.

DEED OF EASEMENT

Riverside, Ca

The U.S. Department of Veterans Affairs (hereinafter referred to as "**VA**"), acting for and in behalf of the United States of America (hereinafter referred to as the "**Government**"), under and by virtue of the authority contained in 40 United States Code 1314 (116 Stat. 1139), having determined that it will not be adverse to the interests of the United States, does hereby grant and convey, for and in consideration of One Dollar (\$1.00), and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, without covenant or warranty of any kind and subject to the conditions hereinafter stated, unto March Joint Powers Authority (hereinafter referred to as the "**Grantee**"), its successors and assigns, an easement and right of way for the Riverside National Cemetery (hereinafter referred to as "**Said Facilities**") to be on, over, under, across or through a portion of the Riverside National Cemetery, which the undersigned owns in the City of Riverside, State of California, all as depicted and described on **Exhibit(s) A** attached hereto and made a part hereof (collectively with Said Facilities, the "**Easement**"). The easement is granted for sanitary and storm sewer line work.

The Easement is granted subject to the following conditions and provisions:

1. The term of this Deed of Easement shall be from 8/1/2016 to 7/31/2066, commencing on 8/1/2016.
2. That the Government reserves unto itself rights for all purposes across, over, or under the Easement; such rights, however, to be exercised in a manner that will not create undue interference with the use and enjoyment by the Grantee of said Easement; provided, that any construction by the Government in connection with the rights so reserved shall be at the expense of the Government.
3. That Grantee agrees to use its best efforts to ensure and take all actions as necessary to ensure that its use of the Easement will not adversely affect the Government's quiet use and enjoyment of the Easement area and the surrounding property of the Government. Grantee further agrees that Said Facilities shall be maintained, reconstructed, repaired, and replaced by the Grantee within the Easement without cost to the Government, under the general supervision and subject to the approval of the Government official having immediate jurisdiction over the property. The Grantee shall replace, repair, restore, or relocate any property of the Government affected or damaged directly or indirectly by the construction, reconstruction, installation, operation, maintenance, and replacement of Said Facilities all to the satisfaction of the Government official having immediate jurisdiction over the property.
4. No mining operations shall be conducted on the Easement or the surrounding property of the Government. No minerals shall be removed therefrom, except such as are reasonably necessary incident to the utilization of the described premises for the purpose for which the Easement is granted.

5. That the Grantee will indemnify and save the Government harmless from any liability or responsibility of any nature whatsoever arising directly or indirectly from the privileges herein granted.

6. That all right, title, interest, and estate hereby granted shall cease and terminate effective as of the date of written notice from the Government to the Grantee, its successors or assigns, that there has been, (a) a failure to comply with the terms and conditions of this Deed of Easement, (b) a nonuse of the Easement for a consecutive two (2)-year period for the purpose for which the Easement was granted, or (c) an abandonment of the Easement.

7. That upon termination or forfeiture of the Easement, the Grantee shall within a reasonable time thereafter, if so requested by the Government, remove from the land, hereinafter described, all structures, installations, and appurtenances thereto belonging to Grantee and restore the premises to the satisfaction of the Government.

8. That no advertisements, commercial, political or otherwise, will be placed or allowed on the property.

9. The Grantee shall comply with applicable Federal or State law and shall comply with State standards for public health and safety, environmental protection, and siting, construction, operation, and maintenance of or for Said Facilities and rights-of-ways for similar purposes, if those standards are more stringent than applicable Federal standards.

10. The Grantee does, by the acceptance of this instrument, covenant and agree for itself, its assigns, and its successors in interest in property herein conveyed, or any part thereof:

(a) That it is now complying and will continue to comply with Title VI of the Civil Rights Act of 1964 and all the requirements imposed by or pursuant to the regulations of the Department of Veterans Affairs issued pursuant to that Title, and that the Easement and its appurtenant areas and facilities, whether or not on the property involved, will be operated in full compliance with Title VI of the Civil Rights Act of 1964 and all requirements imposed by or pursuant to the regulations issued thereunder by the Department of Veterans Affairs and in effect on the date of this instrument, all to the end that no person in the United States shall on the ground of race, color, religion or national origin be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activities provided thereon; and,

(b) That the United States shall have the right to judicial enforcement of these covenants not only as to the Grantee, its successors and assigns, but also to lessees and sub-lessees and licensees doing business or extending services under contractual or other arrangements on the interest in property herein conveyed.

[Signatures appear on the following page.]

IN WITNESS WHEREOF the Department of Veterans Affairs has caused this Deed of Easement to be executed in its name and on its behalf this 25 Day of July, 2016.

UNITED STATES OF AMERICA,
Acting by and through the Secretary,
Department of Veterans Affairs

By Jessica Kaplan
Jessica Kaplan
Director, Real Property Service

CITY OF WASHINGTON
DISTRICT OF COLUMBIA

ON THIS 25 day of July, 2016, before me a Notary Public in and for said District of Columbia, personally appeared to me Jessica Kaplan, well known and known by me to be Director, Real Property Service, whose name is subscribed to the within instrument and acknowledged that he executed the same as a voluntary act and deed of the United States of America, within the scope of his lawful authority.



Myra Maria Gray
Notary Public
District of Columbia

My commission expires:

February 28, 2021



**PETER ALDANA
COUNTY OF RIVERSIDE
ASSESSOR-COUNTY CLERK-RECORDER**

Recorder
P.O. Box 751
Riverside, CA 92502-0751
(951) 486-7000

www.riversideacr.com

NOTARY CLARITY

Under the provisions of Government Code 27361.7, I certify under the penalty of perjury that the notary seal on the document to which this statement is attached reads as follows:

Name of Notary: Lynnett Maria Gray

Commission #: _____

Place of Execution: Washington, District of Columbia

Date Commission Expires: February 28, 2021

Date: January 5, 2017

Signature: *Cindy Camargo*

Print Name: Cindy Camargo

EXHIBIT "A"
LEGAL DESCRIPTION

BEING A STRIP OF LAND 40.00 FEET WIDE LYING WITHIN THOSE PORTIONS OF LOTS 15 AND 19 OF THE RE-SUBDIVISION OF ALESSANDRO TRACT, AS PER MAP ON FILE IN BOOK 18 OF MAPS PAGES 16 AND 17, IN THE RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, TOGETHER WITH THOSE PORTIONS OF LOTS 1, 2 AND 4 IN BLOCK 108 AND LOT 3 IN BLOCK 113 OF THE ALESSANDRO TRACT, AS PER MAP ON FILE IN BOOK 6 PAGE 13, IN THE RECORDS OF SAN BERNARDINO COUNTY, CALIFORNIA, TOGETHER WITH THOSE PORTIONS OF KRAMERIA AVENUE AND MARIPOSA AVENUE, NOW VACATED, LOCATED IN SECTIONS 26 AND 35 OF TOWNSHIP 3 SOUTH, RANGE 4 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, THE CENTERLINE OF SAID STRIP MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL A

COMMENCING AT THE INTERSECTION OF VAN BUREN BOULEVARD AS SHOWN PER CALIFORNIA DEPARTMENT OF TRANSPORTATION MONUMENTATION MAP NO. 443512-4 ON FILE WITH THE COUNTY OF RIVERSIDE AS MAP NO. 205-049 WITH THE WESTERLY LINE OF THAT CERTAIN PARCEL OF LAND AS CONVEYED TO ATCHISON, TOPEKA AND SANTA FE RAILWAY (FORMERLY CALIFORNIA SOUTHERN RAILROAD COMPANY) BY DEED RECORDED JANUARY 23, 1888, IN BOOK 69, PAGE 91 OF DEEDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY, CALIFORNIA, ACQUIRED BY THE RIVERSIDE COUNTY TRANSPORTATION COMMISSION, DESCRIBED AS EXHIBIT A-3 IN INSTRUMENT NO. 116809, RECORDED MARCH 30, 1993 IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE, COUNTY, CALIFORNIA.

THENCE ALONG SAID CENTERLINE OF VAN BUREN BOULEVARD SOUTH 89°46'06" WEST A DISTANCE OF 137.61 FEET;

THENCE LEAVING SAID CENTERLINE SOUTH 19°22'37" EAST A DISTANCE OF 123.55 FEET TO THE SOUTHWESTERLY LINE OF PARCEL NO. 21641-1 PER AN UNRECORDED EASEMENT DEED FOR VAN BUREN BOULEVARD RIGHT-OF-WAY GRANTED TO THE COUNTY OF RIVERSIDE, BEING ALSO THE **TRUE POINT OF BEGINNING**;

THENCE LEAVING THE POINT OF BEGINNING SOUTH 19°22'37" EAST A DISTANCE OF 14.42 FEET;
THENCE SOUTH 50°19'25" EAST A DISTANCE OF 107.36 FEET; THENCE SOUTH 36°00'00" EAST A DISTANCE OF 261.44 FEET TO THE **POINT OF TERMINUS**, HEREINAFTER REFERRED TO AS POINT 'A', SAID POINT BEING ON THE WESTERLY LINE OF SAID LAND CONVEYED TO ATCHISON, TOPEKA AND SANTA FE RAILWAY.

EXHIBIT "A"
LEGAL DESCRIPTION (CONTINUED)

THE SIDELINES OF SAID STRIP ARE TO BE LENGTHENED OR SHORTENED AS NECESSARY SO AS TO BEGIN IN THE SOUTHERLY LINE OF SAID PARCEL NO. 21641-1 AND TERMINATE IN THE WESTERLY LINE OF SAID LAND CONVEYED TO ATCHISON, TOPEKA AND SANTA FE RAILWAY.

CONTAINING 15,319 SQUARE FEET OR 0.35 ACRES, MORE OR LESS

PARCEL B

COMMENCING AT THE AFOREMENTIONED POINT 'A', THENCE CONTINUING SOUTH 36°00'00" EAST A DISTANCE OF 139.85 FEET TO A LINE LYING PARALLEL WITH AND 40.00 FEET NORTHEASTERLY OF SAID WESTERLY LINE OF SAID LAND CONVEYED TO ATCHISON, TOPEKA AND SANTA FE RAILWAY; THENCE ALONG SAID PARALLEL LINE SOUTH 19°22'37" EAST A DISTANCE OF 434.84 FEET; THENCE SOUTH 29°52'50" EAST A DISTANCE OF 48.32 FEET TO A POINT ON THE GENERALLY WESTERLY LINE OF SAID LAND CONVEYED TO ATCHISON, TOPEKA AND SANTA FE RAILWAY, BEING ALSO THE **TRUE POINT OF BEGINNING**;

THENCE SOUTH 29°52'50" EAST A DISTANCE OF 33.65 FEET TO A LINE LYING PARALLEL WITH AND 45.00 FEET SOUTHWESTERLY OF THE WESTERLY LINE OF SAID LAND CONVEYED TO ATCHISON, TOPEKA AND SANTA FE RAILWAY;

THENCE ALONG LAST SAID PARALLEL LINE SOUTH 19°22'45" EAST A DISTANCE OF 1476.00 FEET;

THENCE SOUTH 32°44'40" EAST A DISTANCE OF 108.15 FEET TO A LINE LYING PARALLEL WITH AND 20.00 FEET SOUTHWESTERLY OF THE WESTERLY LINE OF SAID LAND CONVEYED TO ATCHISON, TOPEKA AND SANTA FE RAILWAY;

THENCE ALONG LAST SAID PARALLEL LINE SOUTH 19°22'45" EAST A DISTANCE OF 3741.42 FEET TO THE NORTHWESTERLY LINE OF PARCEL 10 AS SHOWN PER THAT CERTAIN MAP FILED IN BOOK 110 AT PAGES 30 THROUGH 40, INCLUSIVE, RECORDS OF SAID RIVERSIDE COUNTY, AND THE **POINT OF TERMINUS**.

THE SIDELINES OF SAID STRIP ARE TO BE LENGTHENED OR SHORTENED AS NECESSARY SO AS TO BEGIN IN THE WESTERLY LINE OF SAID LAND CONVEYED TO ATCHISON, TOPEKA AND SANTA FE RAILWAY AND TERMINATE IN THE NORTHWESTERLY LINE OF SAID PARCEL 10.

CONTAINING 188,404 SQUARE FEET OR 4.15 ACRES, MORE OR LESS.

EXHIBIT "A"
LEGAL DESCRIPTION (CONTINUED)

PARCEL C

THOSE PORTIONS OF SAID LOTS 15 AND 19 LYING NORTHEASTERLY OF THE NORTHEASTERLY SIDELINE OF THE HEREINABOVE DESCRIBED PARCEL B AND LYING SOUTHERLY AND SOUTHWESTERLY OF THE WESTERLY LINE OF SAID LAND CONVEYED TO ATCHISON, TOPEKA AND SANTA FE RAILWAY.

CONTAINING 39,121 SQUARE FEET, OR 0.90 ACRES, MORE OR LESS.

 12/1/2015

MICHAEL JAMES KNAPTON

DATE

P.L.S.8012

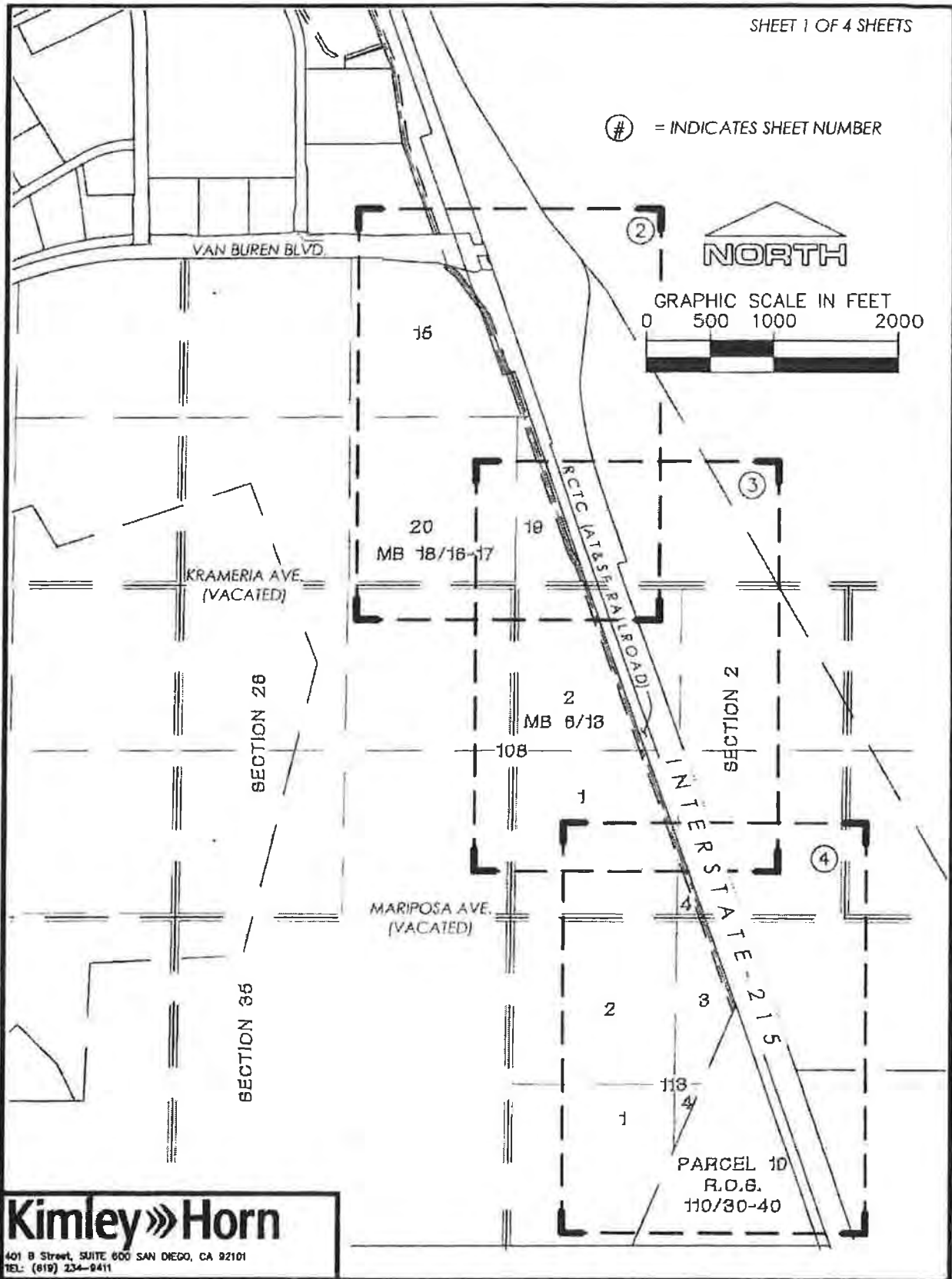
REV: 12/1/2015



= INDICATES SHEET NUMBER



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



Kimley»Horn

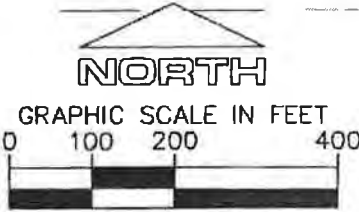
401 B Street, SUITE 600 SAN DIEGO, CA 92101
TEL: (619) 234-9411

LOT 4
TRACT 30857-4
MB 435/6-14

LOT 15
REUBDIVISION OF
ALLEGANDRO
MB 18/16-17

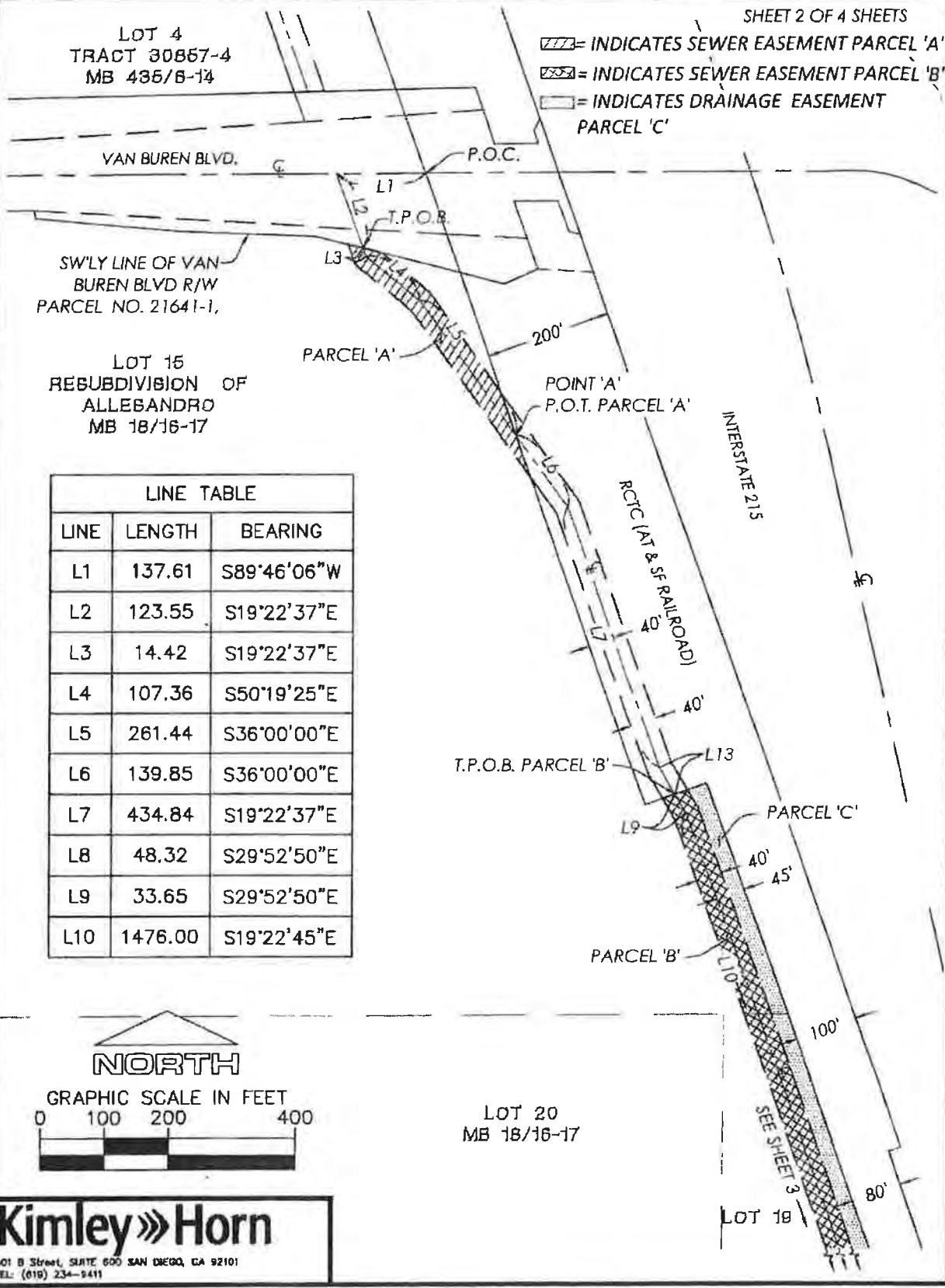
-  INDICATES SEWER EASEMENT PARCEL 'A'
-  INDICATES SEWER EASEMENT PARCEL 'B'
-  INDICATES DRAINAGE EASEMENT PARCEL 'C'

LINE TABLE		
LINE	LENGTH	BEARING
L1	137.61	S89°46'06"W
L2	123.55	S19°22'37"E
L3	14.42	S19°22'37"E
L4	107.36	S50°19'25"E
L5	261.44	S36°00'00"E
L6	139.85	S36°00'00"E
L7	434.84	S19°22'37"E
L8	48.32	S29°52'50"E
L9	33.65	S29°52'50"E
L10	1476.00	S19°22'45"E



Kimley»Horn

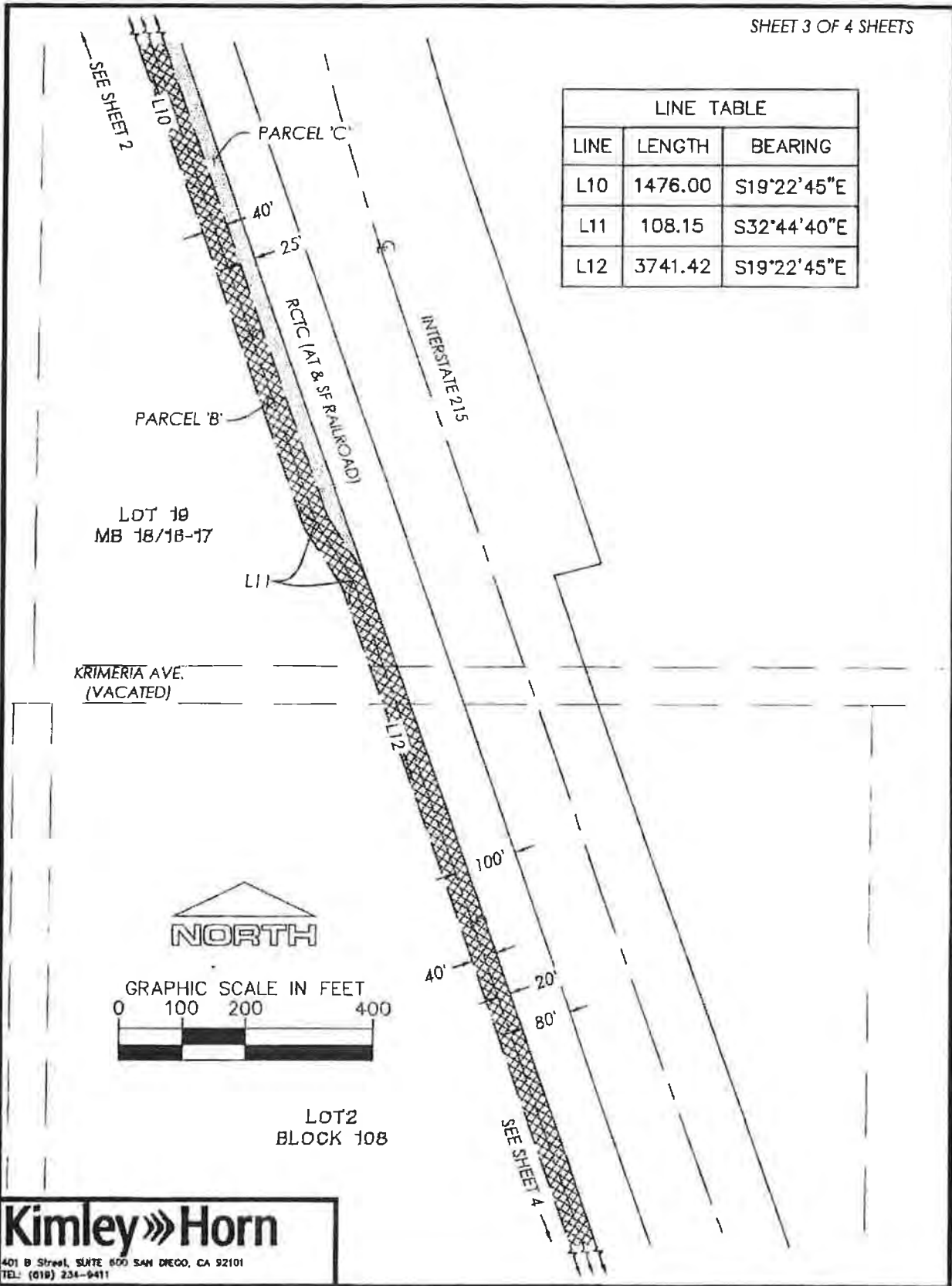
401 B Street, SUITE 600 SAN DIEGO, CA 92101
TEL: (619) 234-9411



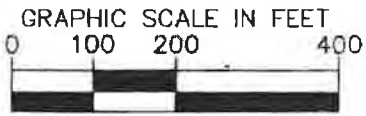
LOT 20
MB 18/16-17

LOT 19

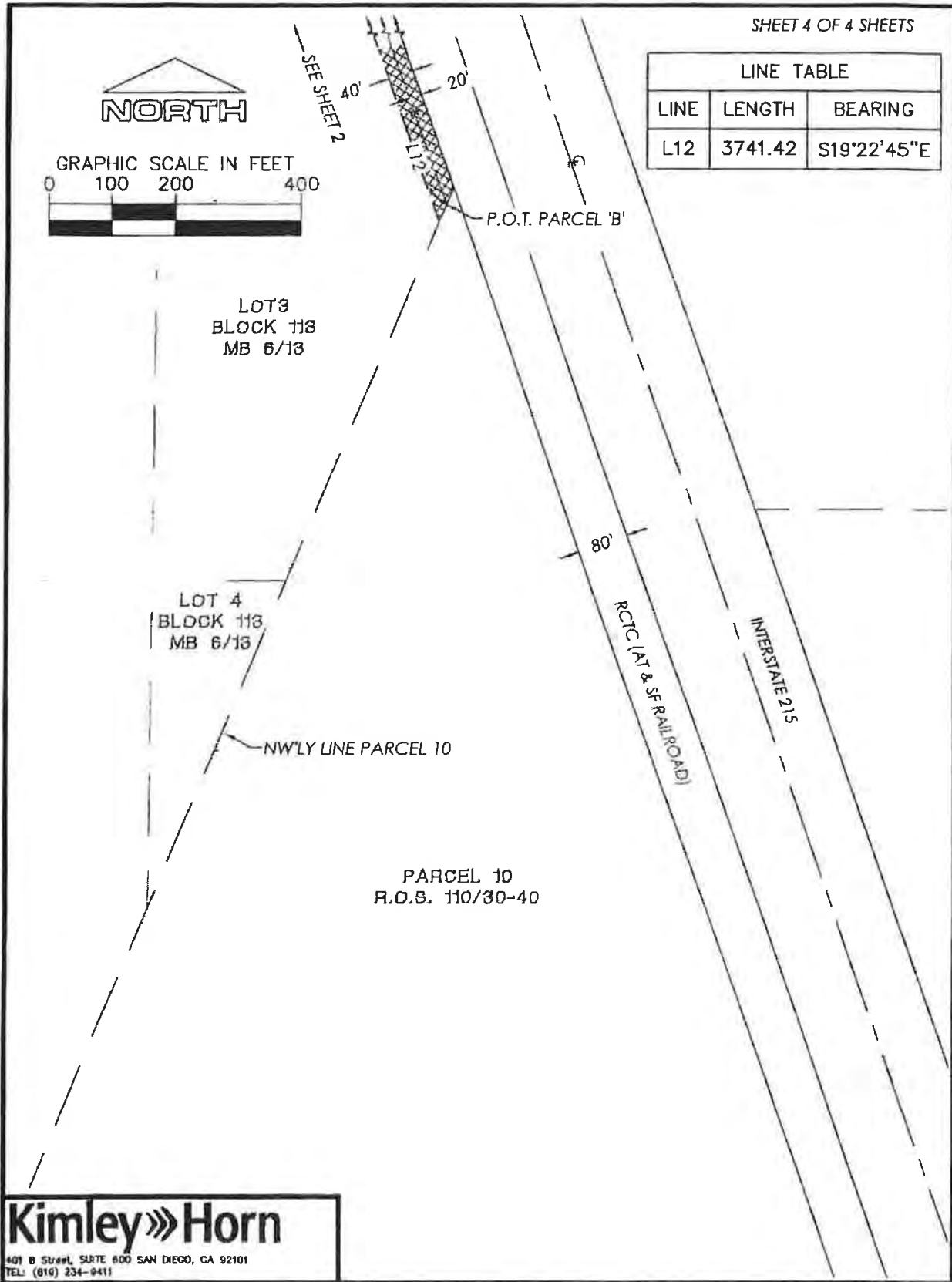
LINE TABLE		
LINE	LENGTH	BEARING
L10	1476.00	S19°22'45"E
L11	108.15	S32°44'40"E
L12	3741.42	S19°22'45"E



Kimley»Horn
 401 B Street, SUITE 600 SAN DIEGO, CA 92101
 TEL: (619) 234-9411



LINE TABLE		
LINE	LENGTH	BEARING
L12	3741.42	S19°22'45"E



Kimley»Horn
 401 B Street, Suite 600 San Diego, CA 92101
 TEL: (619) 234-9411

**MARCH JOINT POWERS AUTHORITY
TECHNICAL ADVISORY COMMITTEE
OF THE
MARCH JOINT POWERS AUTHORITY**

***Reports, Discussion and Action
Agenda Item No. 6e***

Meeting Date: June 5, 2023

Report/Discussion: Village West Drive Extension Project Update

Applicant: Meridian Park, LLC

Background:

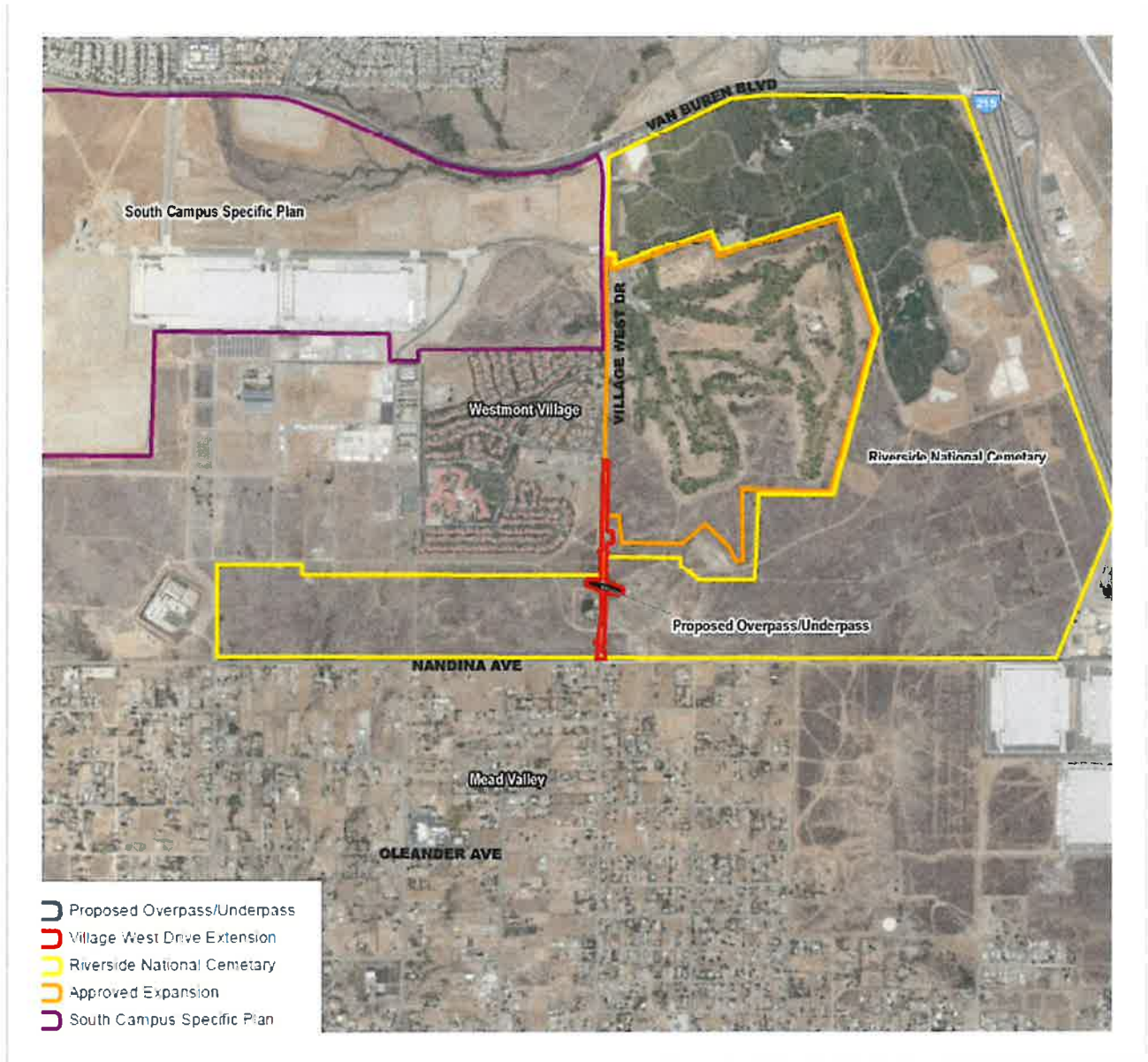
In 2018, the Veterans Administration approved the acquisition from March JPA of approximately 314 acres of land contiguous to the southwest of the Riverside National Cemetery that is associated with General Old Golf Course. When the acquisition occurred, the future improvements to Village West Drive and the necessity for a crossing, were identified and outlined in the January 2019 Addendum Regarding Construction and Use of Facilities (“2019 Addendum”). The alignment of Village West Drive would extend along the proposed easement identified in the 2019 Addendum and through land acquired for future RNC expansion.

On January 27, 2021, the March Joint Powers Commission certified the Meridian South Campus Specific Plan and Village West Drive Extension Subsequent Environmental Impact Report (SCH#2020059028) (“Final SEIR”) and approved the Meridian South Campus Specific Plan and Village West Drive Extension Project. Final approval occurred on February 10, 2021. Notices of Determination were filed with the County of Riverside on February 2, 2021, and March 5, 2021.

Project Location:

The improved portions of Village West Drive currently terminate at Lemay Drive, south of Krameria Avenue and adjacent to the Westmont Village retirement community. The Project would include improvements to and the extension of Village West Drive to provide a through connection between Van Buren Boulevard to the north and Nandina Avenue to the south. Additionally, the roadway will bisect the Riverside National Cemetery property, which will be developed over the next 75 years.

FIGURE 1: PROJECT LOCATION



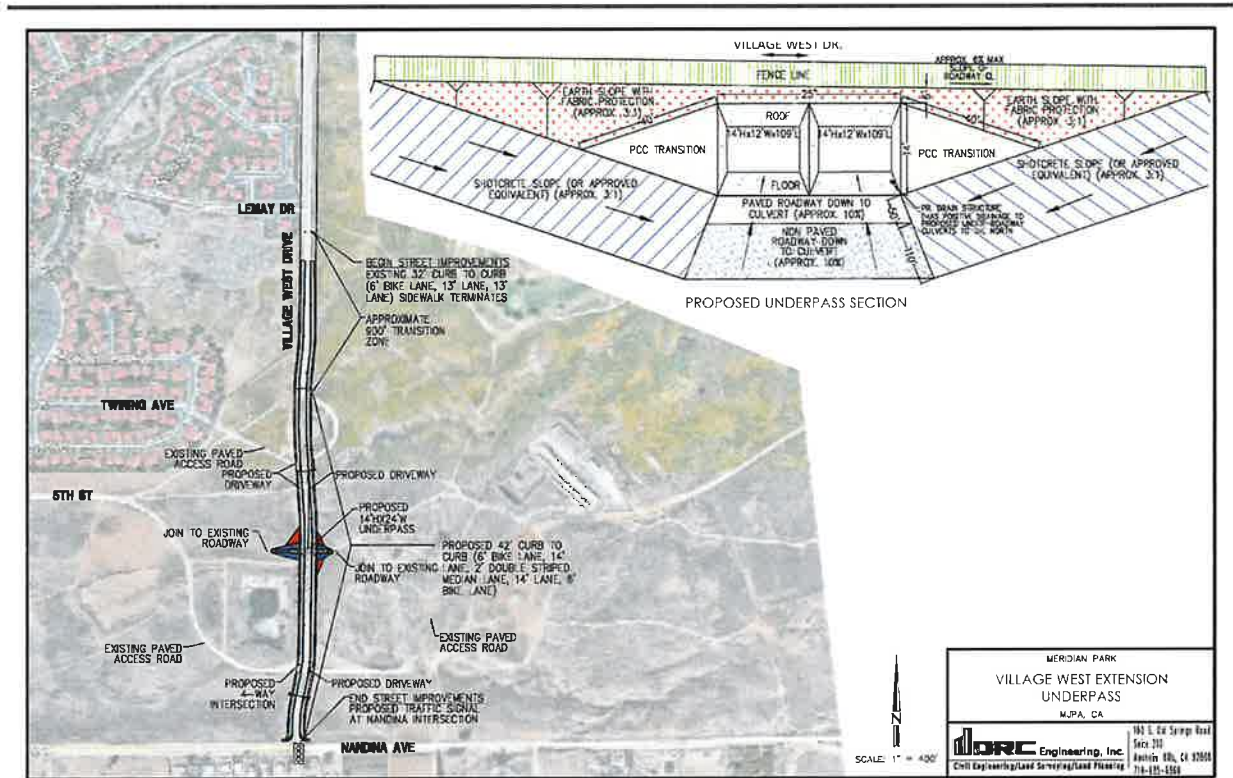
Project Description:

Roadway:

The extension of Village West Drive would include the removal of an abandoned water tank currently owned by Western Municipal Water District that formally served March Air Force Base, followed by the construction of two through lanes, a center striped median, and a bike lane. Sidewalks would also be provided on either side of the roadway, along with a 6-foot bioswale and 8-foot-tall black aluminum wrought iron fencing to match what is existing along Van Buren Boulevard. The total roadway width would be 54 feet, and the improvements are expected to be for 4,330 linear feet (approximately 1,720 linear feet of which is the existing roadway that runs in front of the Westmont Village retirement community development). Additionally, a traffic signal will be installed at the intersection of Village West Drive and Nandina Avenue.

“No Trucks” signage will be posted along the existing southbound portion of Village West Drive to deter trucks from attempting to travel south via the extension to Mead Valley. Also, speed limit signage will be posted and visible to those traveling north and southbound along the extension.

FIGURE 2: VILLAGE WEST DRIVE EXTENSION ALIGNMENT MAP AND UNDERPASS CROSS SECTION DETAIL



Underpass:

The Final SEIR analyzed the impacts associated with the proposed roadway, a structure consisting of an underpass or overpass, and the associated construction limits. The National Cemetery Administration (“NCA”) determined that an underpass would be suitable but would like the location to be determined through the Riverside National Cemetery Master Plan Expansion project. The underpass would serve as an east/west connector and prevent disruption to Cemetery operations. Meridian Park, LLC prepared a draft concept of the underpass with options for the NCA to consider for erosion control. The design concept includes two 12-foot wide, 14-foot tall, and 109-foot long concrete box structures with a section of paved roadway. The estimated total cost for construction of the roadway and underpass would be 7.5 million dollars. Additionally, the County of Riverside has agreed to maintain the roadway, however a maintenance entity of the underpass remains undetermined.

National Environmental Policy Act (NEPA):

After CEQA approval in January 2021, administrative draft review of an Environmental Assessment (“EA”) under NEPA began in May 2021. This draft was submitted to the NCA team in November 2021, however they had concerns with reviewing the draft as the details of the

underpass were not yet known. Since that time, March JPA has undergone four (4) underpass design concepts with the NCA team, with the latest concept, identified Figure 2 above, submitted in April 2023. Once the underpass design is agreed to, all exhibits to the EA will be updated and the finalized document will be resubmitted to the NCA team for review.

Current Review Status:

What has occurred to-date:

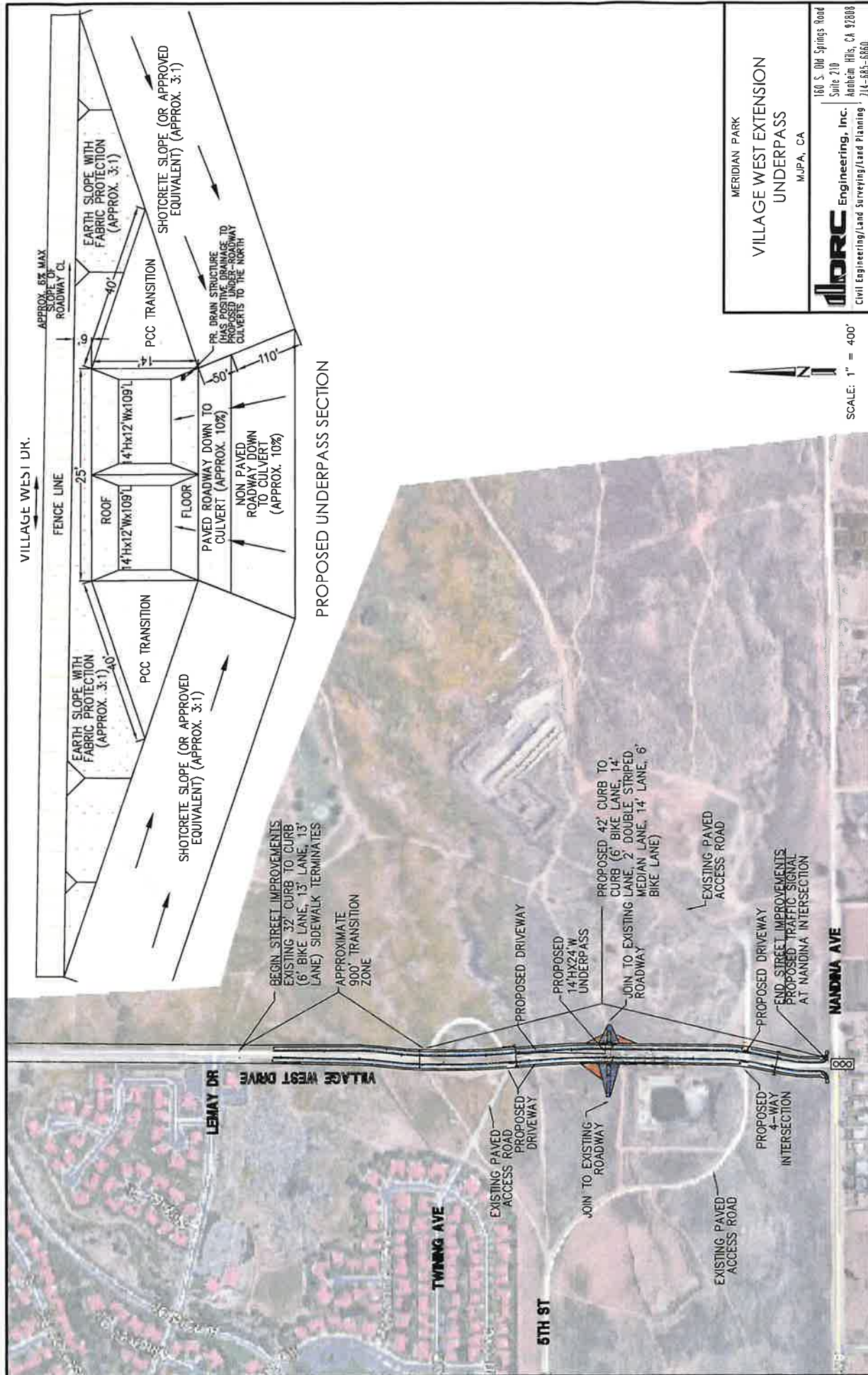
- May 2021: First Submittal of Admin Draft NEPA document Environmental Assessment (EA) submitted to MJPAA by Meridian Park. Reviewers included MJPAA Legal Counsel, MJPAA Planning and MJPAA contract consultant Webb and Associates. This document went through 4 rounds of review between May and September 2021.
- September 14, 2021: JPA receives a comment letter from the NCA team listing concerns about the upcoming NEPA EA submittal.
- October 13, 2021: JPA provides the NCA team with a response to comments.
- October 25, 2021: Conference call with VA regarding the response to comments letter to iron out any concerns from their letter.
- November 23, 2022: Dudek submits final Admin draft of the NEPA EA to the VA for review.
- November 24, 2021: VA provides Dudek 1st round comments of the NEPA EA
- May 25, 2022: March JPA resubmitted the revised NEPA EA to the NCA team
- October 05, 2022: Meridian Park, LLC submitted the first street improvement plans to the County of Riverside for plan check.
- December 6, 2022: National VA representative met with March JPA Staff and the local VA Cemetery staff for a site visit. This visit discussed alignment of the road, demolition of the water tank, and alignment of the underpass. Further discussions with Senior VA officials were required to determine the way ahead.
- January 25, 2023: After discussion with the VA staff and further review of the National Cemetery Design Guide, the VA agreed to the placement of the underpass and Meridian Park, LLC provided updated technical drawings to the VA for review.
- March 19, 2023: VA staff provided comments on the latest technical drawings for the underpass design to March JPA and Meridian Park, LLC.
- April 4, 2023: March JPA and Meridian Park, LLC provided a draft right of entry and plans to begin demolition of the water tank.
- April 10, 2023: Street improvement plans resubmitted to the County of Riverside for likely its final plan check.
- April 18, 2023: March JPA Commissioners and staff met with VA officials via MS Teams. The Commissioners made it clear to the VA staff that we appreciate their continued support in this matter and asked that they would continue to keep the project moving forward.
- April 26, 2023: VA staff tentatively approved the easement and right of way for the demolition of the water tank pending further VA legal review. VA legal staff began internal coordination.
- April 27, 2023: March JPA and Meridian Park, LLC provided updated underpass design drawings (see Figure 2 above) to the VA based on their latest comments.
- May 22, 2023: CGRME approves the Water Quality Management Plan (WQMP) for the roadway improvements only.
- May 23, 2023: March JPA Staff, Meridian Park, LLC, and Cemetery staff met at the construction site to determine the work area for the demolition of the water tank. The

Cemetery staff was amenable to the laydown area and promised to check on the status of the easement that was under review by the VA Office of General Counsel. It is expected that the easement for demolition should be complete in the next two weeks and demolition would commence in September 2023.

What still needs to happen:

- NCA staff to begin the Categorical Exclusion process for the demolition of the water tank.
- NCA team to provide March JPA with draft construction easement documentation for the demolition of the water tank for Executive Director signature.
- Confirmation from NCA that the April 27, 2023, underpass design concept is acceptable, so Meridian Park LLC can begin updating the Environmental Assessment document for MJPA review and resubmittal to NCA.
- If the NCA team approves the updated EA, they will begin consultation with Native American tribes per NEPA, NHPA, NAGPRA, and EO 13175.
- Meridian Park, LLC. to submit construction easement documentation for the roadway and underpass for review by NCA.
- Once consultation with the Tribes is complete, the NEPA document is approved by the NCA, the construction easements are issued by the NCA, the construction drawings are approved by the NCA and Riverside County, permits are issued, and funding is secured, Meridian Park can begin the street improvements.

Attachment(s): Village West Drive Extension Alignment Map and Crossection



**MARCH JOINT POWERS AUTHORITY
TECHNICAL ADVISORY COMMITTEE
OF THE
MARCH JOINT POWERS AUTHORITY**

***Reports, Discussion and Action
Agenda Item No. 6f***

Meeting Date: June 5, 2023

Report: Signature Healthcare Services LLC Parcel Update

Background:

On March 31, 2017, Signature Healthcare Services, LLC (“Signature Health”) received approval of an approximate 8-acre behavioral health hospital facility (“Project”), to be constructed in one phase, at the northwest corner of N Street and 6th Street (the “Property”) within the March LifeCare Specific Plan. On January 29, 2020, the Authority authorized an extension of time (“EOT”) on approvals for one (1) year. After the extension expired, no further time extensions were requested by Signature Healthcare. Project entitlements have since expired and are no longer valid.

Pursuant to Section 11 of the Grant Deed, the Authority may reenter and take possession of the Property if Signature Health has abandoned the construction of the Project and fails to continue with construction for a thirty (30) day period. The Authority sent a notice outlining its intent to exercise its right within the Grant Deed to reenter and take possession of the Property. That notice was issued via certified mail on April 24, 2023, meaning that the thirty (30) day cure period was set to end on May 24, 2023.

On May 17, 2023, the Authority received a call from Brian Renaud with Foster Swift Collins & Smith PC who serves as Signature Health’s legal counsel on this matter. Mr. Renaud, on behalf of Signature Health, requested a time extension regarding the thirty (30) day cure period. Given the significant length of time that has passed, the Project would be subject to a new planning and environmental review process which would add a substantial amount of time to property redevelopment. Based on the aforementioned, and initial discussions with Commission members, Signature Health’s request for an extension was denied. A report on this item will be provided to the Commission as there are expressed interests on a veteran hospital at March from federal representatives and agencies. Staff will seek guidance from the Commission on next steps in discussions with federal parties regarding a potential project that would benefit the base, and veterans, at this site.

Attachment: None

**MARCH JOINT POWERS AUTHORITY
TECHNICAL ADVISORY COMMITTEE
OF THE
MARCH JOINT POWERS AUTHORITY**

***Reports, Discussion and Action
Agenda Item No. 6g***

Meeting Date: June 5, 2023

Report: 2022 Audit (All MJPA Entities)

Background:

The 2022 audit of the March JPA entities was completed by Rogers, Anderson, Malody & Scott, LLP (“RAMS”). Here to present the results of the audit is Scott Manno of RAMS.

Attachments:

- 1) Independent Auditor's Report and Letters
- 2) March Joint Powers Authority Annual Financial Report
- 3) March Inland Port Airport Authority Annual Audit Report
- 4) March Joint Powers Utilities Authority Annual Audit Report



May 10, 2023

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To Management of March Joint Powers Authority
Riverside, California

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MANAGERS / STAFF

Seong-Hyea Lee, CPA, MBA
Evelyn Morentini-Barcena, CPA
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Jeffrey McKennan, CPA

MEMBERS

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Certified Public Accountants

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Quality Center*

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In planning and performing our audit of the financial statements of March Joint Power Authority (the Authority) as of and for the year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify what we considered a significant deficiency, which was reported in a different report dated May 10, 2023. As discussed below, we identified certain matters involving the internal control and other operational matters that are presented for your consideration.

This letter does not affect our report dated May 10, 2023 on the financial statements of the Authority. We will review the status of these comments during our next audit engagement.

Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. Our comments are summarized as follows:

Management Comment 2022-001

The Authority does not maintain a list of monthly recurring journal entries, including adjusting, reversing, and year end journal entries, to ensure that all required journal entries have been recorded. In addition, during our testing over journal entries, we noted various instances where proper approval of journal entries was not documented. We recommend that the Authority implement a numerical listing of recurring monthly entries and year end closing entries to ensure that all items are properly captured and ensure that all journal entries are reviewed and approved.



Management Comment 2022-002

According to the Authority's Procurement, Purchasing and Contracting Policy adopted April 18, 2007, section 5.2, supporting documents of credit card purchases must be submitted to the Accounting Department within five (5) business days from the transaction date. However, insufficient documentation to indicate the timeliness were noted on several transactions. We recommend that the Authority implement a standard internal form to be dated, signed, and submitted along with supporting documents of credit card purchases.

Management Comment 2022-003

The Authority does not maintain a formal capital asset policy, to ensure that purchases are being properly expensed or capitalized in accordance with financial reporting requirements. We recommend that the Authority design and implement a formal capital asset policy.

Management Comment 2022-004

Several instances were noted where the proper supervisor approval was not noted on employee timecards, therefore we were unable to rely on this control. We recommend that all timecards are reviewed and approved by the appropriate supervisor.

We believe that the implementation of these recommendations will provide the Authority with a stronger system of internal control. We will be happy to discuss the details of these recommendations with you at your convenience.

This communication is intended solely for the information and use of management, Board of Commissioners, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,



San Bernardino, California



ROGERS, ANDERSON, MALODY & SCOTT, LLP
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May 10, 2023

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Brianna Schultz, CPA, CGMA
Brenda L. Odle, CPA, MST (Partner Emeritus)

To the Board of Commissioners
March Joint Powers Authority
Riverside, California

We have audited the financial statements of the March Joint Powers Authority (the Authority) as of and for the year ended June 30, 2022, and have issued our report thereon dated May 10, 2023. Professional standards require that we advise you of the following matters relating to our audit.

MANAGERS / STAFF

Seong-Hyea Lee, CPA, MBA
Evelyn Morentini-Barcena, CPA
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John Maldonado, CPA, MSA
Julia Rodriguez Fuentes, CPA, MSA
Demi Hite, CPA
Jeffrey McKennan, CPA

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated June 9, 2022, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Authority solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

MEMBERS

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*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
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California Society of
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We have provided our findings regarding significant control deficiencies over financial reporting in a separate letter to you dated May 10, 2023.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, and others in our firm, as appropriate, have complied with all relevant ethical requirements regarding independence.

Significant Risks Identified

We have identified the following significant risks:

Management's override of internal controls over financial reporting: Management override of internal controls is the intervention by management in handling financial information and making decisions contrary to internal control policy.

Revenue recognition: Revenue recognition is a generally accepted accounting principle that refers to the conditions under which an entity can recognize a transaction as revenue. Auditing standards indicate that recognizing revenue is a presumed fraud risk and usually classified as a significant risk in most audits.

These significant risks are presumptive in most audits and merit attention by the auditors due to the direct impact over financial reporting and internal control processes. Although identified as significant risks, we noted no matters of management override of controls or deviations from generally accepted accounting principles which caused us to modify our audit procedures or any related matters which are required to be communicated to those charged with governance due to these identified risks.

Qualitative Aspects of the Authority's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Agency is included in Note 1 to the financial statements. The Agency adopted GASB Statement No. 87, *Leases*, during 2022. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive estimates affecting the financial statements are:

- Management's estimate of the fair value of investments is based on information provided by financial institutions. We evaluated the key factors and assumptions used to develop the fair value of investments in determining that is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of depreciation expense is based on the useful lives of acquired assets. We evaluated the key factors and assumptions used to develop depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.
- The estimate of the net pension liability and related deferred outflows and inflows of resources are based on actuarial reports provided by independent actuaries. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the statements taken as a whole.
- The estimate of the net OPEB liability and related deferred outflows and inflows of resources is based on actuarial reports provided by independent actuaries. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the statements taken as a whole.
- Management's estimate of leases receivable, deferred inflows of resources related to leases, and lease amortization is based on present value calculations using certain terms and assumptions in the lease agreements in accordance with generally accepted accounting principles. We evaluated the key factors and assumptions used to develop the lease related estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users.

The most sensitive disclosures affecting the financial statements are:

- Management's disclosure of the fair value of investments, which is based on information provided by financial institutions. The financial statement disclosures are neutral, consistent and clear.

- The disclosure of capital assets is based on historical information which could differ from actual useful lives of each capitalized item.
- The disclosure of net pension liability and related deferred outflows and inflows of resources is based on actuarial assumptions. Actual future liabilities may vary from disclosed estimates.
- The disclosure of net OPEB liability and related deferred outflows and inflows of resources is based on actuarial assumptions. Actual future liabilities may vary from disclosed estimates.
- The disclosure of leases receivable, deferred inflows of resources related to leases, and lease amortization in the basic financial statements is based on certain terms and assumptions in the lease agreements which could differ from actual amounts.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all such misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The attached Schedule A summarizes material misstatements that we identified as a result of our audit procedures that were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Authority's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached management representation letter dated May 10, 2023.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Authority, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the Authority, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Authority's auditors.

Other Information in Documents Containing Audited Financial Statements

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the Authority's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have:

We applied certain limited procedures to the Management's Discussion and Analysis, the budgetary comparison schedules, and the pension and OPEB schedules, as listed in the table of contents, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

This report is intended solely for the information and use of the Board of Commissioners, and management of the Authority and is not intended to be and should not be used by anyone other than these specified parties.

Rogers, Anderson, Malody & Scott, LLP.

May 10, 2023

Client: **MAR0004 - March JPA**
 Engagement: **2022 - March JPA**
 Period Ending: **6/30/2022**
 Trial Balance: **3000 - Government Fund Trial Balance JPA**
 Workpaper: **3700.01 - Combined Journal Entries Report**
 Fund Level: **All**
 Index: **All**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 4				
To correct the Golf Course depreciation expense/accumulated depreciation.				
320-10-50150-50	Depreciation Expense		3,679.73	
320-00-16025-00	ACCUMULATED DEPRECIATION			3,679.73
Total			3,679.73	3,679.73
Adjusting Journal Entries JE # 5				
To post PBC entry to correct the investment related account balances.				
100-00-10173-00	DISCOUNT ON INVESTMENTS		223.76	
100-00-40600-00	INTEREST INCOME		13,128.66	
100-00-10182-00	PREMIUM ON INVESTMENTS			13,128.66
100-00-40600-00	INTEREST INCOME			223.76
Total			13,352.42	13,352.42
Adjusting Journal Entries JE # 6				
To reverse prior FV entries and correct the balance of the FV accounts.				
100-00-10191-00	FAIR VALUE OF INVESTMENTS		267,812.53	
100-00-40799-00	GAIN/LOSS ON FV OF INVESTMENTS		249,492.27	
300-00-10191-00	FAIR VALUE OF INVESTMENTS		3,704.35	
300-00-10191-00	FAIR VALUE OF INVESTMENTS		123,879.98	
300-00-10191-00	FAIR VALUE OF INVESTMENTS		2,718.65	
300-00-40799-00	GAIN/LOSS ON FV OF INVESTMENTS		111,918.42	
100-00-10191-00	FAIR VALUE OF INVESTMENTS			249,492.27
100-00-40799-00	GAIN/LOSS ON FV OF INVESTMENTS			267,812.53
300-00-10191-00	FAIR VALUE OF INVESTMENTS			111,918.42
300-00-40799-00	GAIN/LOSS ON FV OF INVESTMENTS			3,704.35
300-00-40799-00	GAIN/LOSS ON FV OF INVESTMENTS			123,879.98
300-00-40799-00	GAIN/LOSS ON FV OF INVESTMENTS			2,718.65
Total			759,526.20	759,526.20
Adjusting Journal Entries JE # 9				
To post PBC entry adjusting the FMV accounts for investments.				
100-00-10191-00	FAIR VALUE OF INVESTMENTS		2,021.65	
100-00-10191-00	FAIR VALUE OF INVESTMENTS		1,504.21	
100-00-10191-00	FAIR VALUE OF INVESTMENTS		4,057.60	
100-00-40799-00	GAIN/LOSS ON FV OF INVESTMENTS		3,026.38	
100-00-40799-00	GAIN/LOSS ON FV OF INVESTMENTS		8,694.09	
100-00-40799-00	GAIN/LOSS ON FV OF INVESTMENTS		7,206.73	
100-00-10191-00	FAIR VALUE OF INVESTMENTS			3,026.38
100-00-10191-00	FAIR VALUE OF INVESTMENTS			8,694.09
100-00-10191-00	FAIR VALUE OF INVESTMENTS			7,206.73
100-00-40799-00	GAIN/LOSS ON FV OF INVESTMENTS			2,021.65
100-00-40799-00	GAIN/LOSS ON FV OF INVESTMENTS			1,504.21
100-00-40799-00	GAIN/LOSS ON FV OF INVESTMENTS			4,057.60
Total			26,510.66	26,510.66
Adjusting Journal Entries JE # 10				
To record Primeflight Aviation Services Vendor Surcharge from 8/21 to 4/22 received 8/22				
500-00-10250-00	ACCOUNTS RECEIVABLE		18,912.50	
500-00-44050-18	Vendor Surcharges			18,912.50
Total			18,912.50	18,912.50
Adjusting Journal Entries JE # 11				
To reverse the A/R in fund 300 as it was related to FY22				
300-00-40200-00	RENTAL INCOME		131,810.02	
300-00-40225-00	UTILITY CHARGES		3,962.52	
300-00-10250-00	ACCOUNTS RECEIVABLE			135,772.54
Total			135,772.54	135,772.54
Adjusting Journal Entries JE # 12				
To reclass funds that have yet to be collected to unavailable revenue.				
100-00-40715-00	FRANCHISE FEES & SALES TAX REV		386,219.11	
100-00-20250-00	DEFERRED REVENUE			386,219.11
Total			386,219.11	386,219.11



May 10, 2023

Rogers, Anderson, Malody & Scott, LLP
735 E. Carnegie Drive, Suite 100
San Bernardino, CA 92408

This representation letter is provided in connection with your audit of the basic financial statements of the March Joint Powers Authority, the March Utility Authority and the March Inland Port Airport Authority (all referred to as "the Authority" herein) as of June 30, 2022 and for the fiscal year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial positions, results of operations, and cash flows, where applicable, of the various opinion units of the Authority in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information such that, in the light of surrounding circumstances, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of May 10, 2023:

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 9, 2022, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- We have a process to track the status of audit findings and recommendations, if any.

- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus as amended*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, non-spendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense/expenditure is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- All required supplementary information is measured and presented within the prescribed guidelines.
- With regard to investments and other instruments reported at fair value:

- The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
- The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
- The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
- There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
- With respect to any nonattest services provided, we have performed the following:
 - Made all management decisions and performed all management functions;
 - Assigned a competent individual to oversee the services;
 - Evaluated the adequacy of the services performed;
 - Evaluated and accepted responsibility for the result of the service performed; and
 - Established and maintained internal controls, including monitoring ongoing activities.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the Authority from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have provided to you our analysis of the entity's ability to continue as a going concern, including significant conditions and events present, and if necessary, our analysis of management's plans, and our ability to achieve those plans.
- We have no knowledge of any fraud or suspected fraud that affects the Authority and involves:
 - Management;
 - Employees who have significant roles in internal control; or
 - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the Authority's financial statements communicated by employees, former employees, vendors, regulators, or others.

- We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- The Authority has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under which the Authority is contingently liable.
- We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed properly in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the Authority will make a payment on any guarantee.
- For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. Where there was no best estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.
- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
 - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
 - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62
 - Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).

- The Authority has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- With respect to the required supplementary information in the financial statements described above:
 - We acknowledge our responsibility for the presentation of the required supplementary information in accordance with accounting principles generally accepted in the United States of America.
 - We believe the required supplementary information, including its form and content, is measured and fairly presented in accordance with any applicable criteria.
 - The methods of measurement or presentation have not changed from those used in the prior period.
 - We believe the significant assumptions or interpretations underlying the measurement or presentation of the required supplementary information, and the basis for our assumptions and interpretations, are reasonable and appropriate in the circumstances.

Use of a Specialist

- We agree with the findings of specialists in evaluating our net pension liability and net OPEB liability (and related deferred amounts) and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.



Grace I. Martin, DPPD
Executive Director

MARCH JOINT POWERS AUTHORITY
ANNUAL FINANCIAL REPORT
Year Ended June 30, 2022

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TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor’s Report	1
Management’s Discussion and Analysis	4
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	14
Statement of Activities	15
Fund Financial Statements:	
Balance Sheet - Governmental Funds	17
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	18
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
Statement of Net Position - Proprietary Funds	21
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	23
Statement of Cash Flows - Proprietary Funds	25
Statement of Fiduciary Net Position - Fiduciary Funds	27
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	28
Notes to Financial Statements	30
Required Supplementary Information:	
Schedule of Proportionate Share of the Net Pension Liability and Related Ratios as of the Measurement Date	67
Schedule of Pension Plan Contributions	68
Schedule of Changes in the Net OPEB Liability and Related Ratios	69
Schedule of OPEB Plan Contributions	70
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual:	
General Fund	71
Meridian LLMD No. 1 Special Revenue Fund	72
March Lifecare Campus CFD 2013-1	73
Notes to Required Supplementary Information	74

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Independent Auditor's Report

To the Board of Commissioners
March Joint Powers Authority
Riverside, California

PARTNERS

Terry P. Shea, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradferd A. Walebir, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST
Gardenya Duran, CPA, CGMA
Brianna Schultz, CPA, CGMA
Brenda L. Odle, CPA, MST (Partner Emeritus)

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the March Joint Powers Authority (the Authority), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

MANAGERS / STAFF

Seong-Hyea Lee, CPA, MBA
Evelyn Morentini-Barcena, CPA
Veronica Hernandez, CPA
Laura Arvizu, CPA
Xinlu Zoe Zhang, CPA, MSA
John Maldonado, CPA, MSA
Julia Rodriguez Fuentes, CPA, MSA
Demi Hite, CPA
Jeffrey McKennan, CPA

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Authority, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

MEMBERS

American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

California Society of
Certified Public Accountants

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Authority has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022. Our opinions are not modified with respect to this matter



Responsibilities of Management for the Financial Statements

The Authority's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of proportionate share of the net pension liability and related ratios as of the measurement date, the schedule of pension plan contributions, the schedule of changes in the net OPEB liability and related ratios, the schedule of OPEB plan contributions and budgetary comparison schedules for the General Fund and major special revenue funds as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 10, 2023, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
May 10, 2023

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MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2022

As management of the March Joint Powers Authority (the Authority), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here.

Financial Highlights

- The assets and the deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$210,394,987 (net position). Of this amount, \$34,969,878 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- The Authority's total net position increased \$2,701,247. This is mostly due to a \$2,016,411 increase in total revenues and an increase of \$837,134 in total expenses.
- At the close of the current fiscal year, the Authority's governmental funds reported combined ending fund balances of \$33,921,290, an increase of \$569,791 in comparison with the prior year. Approximately 82% of this amount (\$27,661,815) is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the General Fund was \$27,661,815 or approximately 650% of total General Fund expenditures.
- The Authority's total outstanding long-term debt decreased by (\$75,000) during the current fiscal year due to the decrease in the loan payable due from the Golf Course.

Overview of the Financial Statements

This discussion and analysis provided here are intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also contains other supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements. *The government-wide financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business.*

The *statement of net position* presents information on all of the Authority's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2022

The *statement of activities* presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Authority that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Authority include only general government activities. The business-type activities of the Authority include the March Inland Port Airport Authority, Green Acres, Golf Course and the Utilities Authority operations.

The government-wide financial statements include not only the Authority (known as the primary government), but also two legally separate entities, the March Inland Port Airport Authority and the March Joint Powers Utilities Authority. The Authority is financially accountable for these entities and therefore has been included as an integral part of the primary government as blended component units.

Please see the table of contents for the location of the government-wide financial statements within this document.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Authority can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Authority maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Meridian LLMD No. 1 fund, and the March Lifecare Campus CFD 2013-1 fund, which are considered to be major funds.

MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2022

The Authority adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Please see the table of contents for the location of the governmental fund financial statements within this document.

Proprietary Funds. The Authority maintains only one type of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Authority uses enterprise funds to account for its March Inland Port Airport Authority, Green Acres, Golf Course and March Joint Powers Utilities Authority.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the March Inland Port Airport Authority, Green Acres, Golf Course and March Joint Powers Utilities Authority, all of which are considered to be major funds of the Authority.

Please see the table of contents for the location of the proprietary fund financial statements within this document.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the Authority's own program. The accounting used for fiduciary funds is much like that used for proprietary funds.

The Authority maintains one type of fiduciary fund. The Private-purpose trust fund is used to report resources held in trust for the Successor Agency of the former Redevelopment Agency.

Please see the table of contents for the location of the fiduciary fund financial statements within this document.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31-67 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the Authority's proportionate share of the net pension liability, schedule of pension plan contributions, schedule of changes in the net OPEB liability and related ratios, schedule of OPEB plan contributions and budget to actual schedules of the General Fund and major special revenue funds. Please see the table of contents for the location of the required supplementary information within this document.

Government-wide Overall Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of the Authority, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$210,394,987 at the close of the most recent fiscal year.

MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2022

The Authority's Net Position

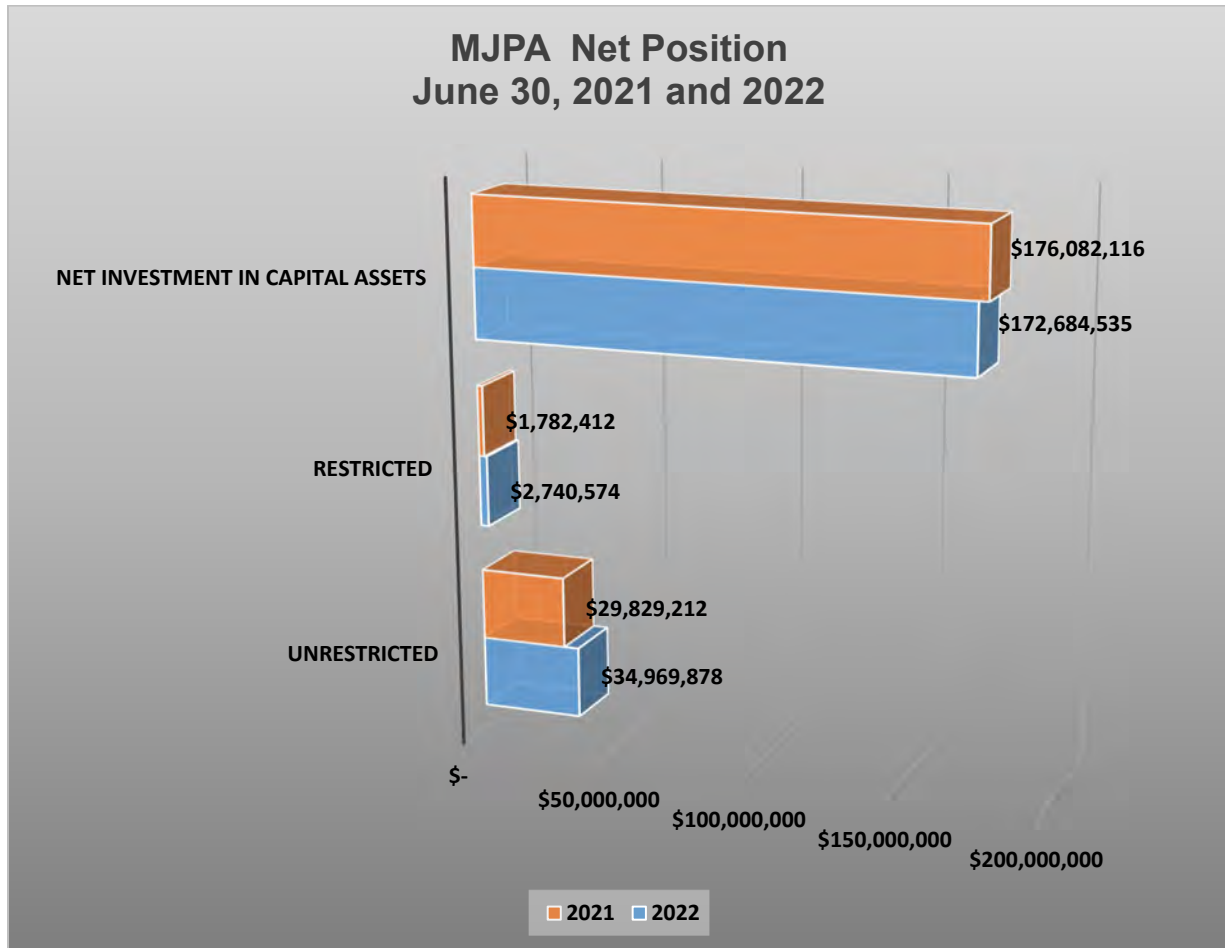
	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 42,823,653	\$ 37,026,897	\$ 17,945,612	\$ 7,094,421	\$ 60,769,265	\$ 44,121,318
Internal balances	3,137,896	3,137,896	(3,137,896)	(3,137,896)	-	-
Capital assets	106,588,830	106,948,295	66,095,705	69,133,821	172,684,535	176,082,116
Total assets	152,550,379	147,113,088	80,903,421	73,090,346	233,453,800	220,203,434
Total deferred outflows of resources	505,286	565,653	284,223	318,180	789,509	883,833
Long-term liabilities	725,715	1,634,997	2,494,213	3,024,403	3,219,928	4,659,400
Other liabilities	10,034,843	6,728,131	2,218,179	1,941,249	12,253,022	8,669,380
Total liabilities	10,760,558	8,363,128	4,712,392	4,965,652	15,472,950	13,328,780
Total deferred inflows of resources	2,347,973	41,438	6,027,399	23,309	8,375,372	64,747
Net position:						
Net investment in capital assets	106,588,830	106,948,295	66,095,705	69,133,821	172,684,535	176,082,116
Restricted	2,740,574	1,782,412	-	-	2,740,574	1,782,412
Unrestricted	30,617,730	30,543,468	4,352,148	(714,256)	34,969,878	29,829,212
Total net position	\$ 139,947,134	\$ 139,274,175	\$ 70,447,853	\$ 68,419,565	\$ 210,394,987	\$ 207,693,740

By far the largest portion of the Authority's net position (82.1%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment, vehicles, and infrastructure), less any related debt that was used to acquire those assets. The Authority uses these capital assets to provide services to citizens. Accordingly, these assets are not available for future spending. Although the Authority's investment in its capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Authority's net position (1.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$34,969,878 is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, the Authority is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities, except for the business-type activities unrestricted net position. The same situation held true for the prior fiscal year.

MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2022



The Authority's overall net position increased \$2,701,247 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

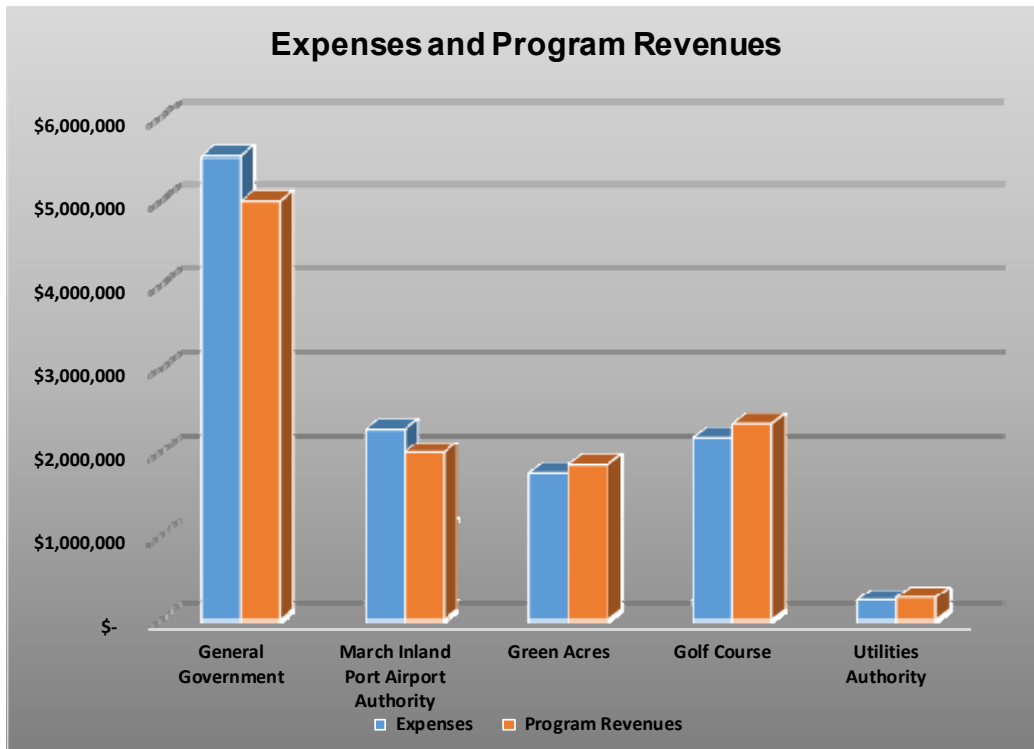
Governmental Activities. During the current fiscal year, net position for governmental activities increased \$672,959 from the prior fiscal year for an ending balance of \$139,947,134. This is mostly due to a \$3,785,445 increase in Cash and Investments (restricted and unrestricted) offset by an increase in Deposits Payable of \$2,665,142.

Business-type Activities. For the Authority's business-type activities, the results for the current fiscal year were positive in that overall net position had an ending balance of \$70,447,853. The total increase in net position for business-type activities was \$2,028,288 or 2.96% from the prior fiscal year. The Airport Authority had an increase in net position of \$1,834,246 mostly due to an increase a gain on the sale of capital assets. Green Acres also increased slightly due to no transfer of monies to the Authority's General Fund. The Golf Course also had an increase in net position of \$162,215 due to a \$83,527 increase in charges for services offset by an increase in operating costs of \$179,586. The Utility Authority had a decrease in net position of \$30,782 similar to prior years.

MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2022

The Authority's Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 4,719,116	\$ 5,070,312	\$ 5,933,045	\$ 6,290,771	\$ 10,652,161	\$ 11,361,083
Capital grants and contributions	278,179	16,706	512,271	157,000	790,450	173,706
General revenues:						
Taxes	600,000	600,000	-	-	600,000	600,000
Investment earnings	35,993	164,580	16,240	3,452	52,233	168,032
Gain on sale of capital assets	-	-	2,000,000	-	-	-
Other	576,388	352,000	-	-	576,388	352,000
Total revenues	6,209,676	6,203,598	8,461,556	6,451,223	14,671,232	12,654,821
Expenses:						
General government	5,536,717	5,004,900	-	-	5,536,717	5,004,900
March Inland Port Airport Authority	-	-	2,271,040	2,097,787	2,271,040	2,097,787
Green Acres	-	-	1,754,531	1,792,842	1,754,531	1,792,842
Golf Course	-	-	2,175,877	1,992,611	2,175,877	1,992,611
Utilities Authority	-	-	231,820	244,711	231,820	244,711
Total expenses	5,536,717	5,004,900	6,433,268	6,127,951	11,969,985	11,132,851
Increase (decrease) in net position before transfers	672,959	1,198,698	2,028,288	323,272	2,701,247	1,521,970
Transfers	-	-	-	-	-	-
Increase (decrease) in net position	672,959	1,198,698	2,028,288	323,272	2,701,247	1,521,970
Net position, beginning	139,274,175	137,988,357	68,419,565	68,911,631	207,693,740	206,899,988
Prior period adjustment	-	87,120	-	-	-	87,120
Net position, beginning, as restated	139,274,175	138,075,477	68,419,565	68,096,293	207,693,740	206,171,770
Net position, ending	\$ 139,947,134	\$ 139,274,175	\$ 70,447,853	\$ 68,419,565	\$ 210,394,987	\$ 207,693,740



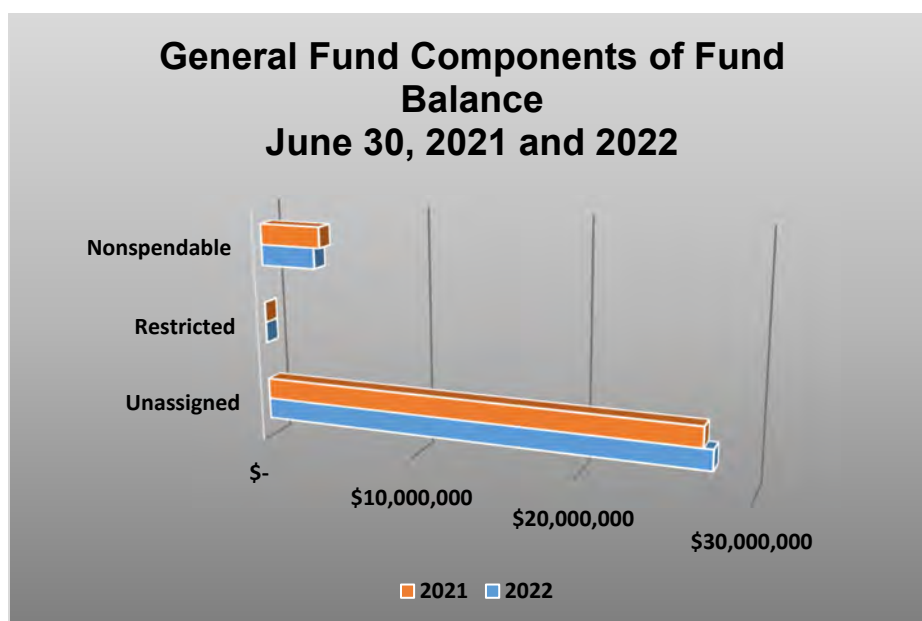
MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2022

Financial Analysis of the Government's Funds

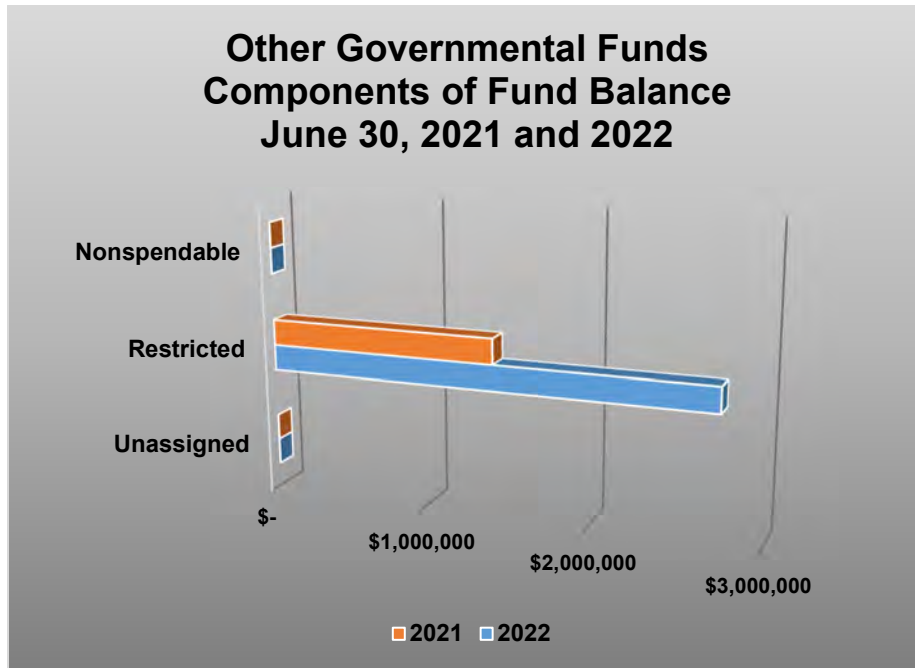
As noted earlier, the Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Authority's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Authority's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Authority itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Authority's Board of Commissioners.

As of June 30, 2022, the Authority's governmental funds reported combined fund balances of \$33,921,290, an increase of \$569,791 in comparison with the prior year. Approximately 82% of this amount (\$27,661,815) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is either *nonspendable or restricted* to indicate that it is 1) not in spendable form (\$3,518,901) or 2) restricted for particular purposes (\$2,740,574).



The General Fund is the chief operating fund of the Authority. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$27,661,815, while total fund balance decreased to \$31,180,716. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 650% of total General Fund expenditures, while total fund balance represents approximately 732% of that same amount.



The fund balance of the Authority's General Fund decreased by \$388,371 during the current fiscal year. This is primarily due to a decrease in Licenses, Permits and Fees \$564,120 revenue. In addition, total expenditures increased by \$560,065.

The Meridian LLM No. 1 Fund, a major fund, had a \$912,627 increase in fund balance during the current fiscal year to bring the year end fund balance to \$2,549,149. This is mostly due to the District receiving more Special Assessments (\$413,045 increase over prior year) than expenditures that will be used for future expenditures and capital costs.

The March Lifecare Campus CFD 2013-1 Fund had an increase in fund balance during the current year of \$45,535 to bring the year end fund balance to \$191,425. This is mostly due to the District receiving more special assessments than expenditures that will be used for future expenditures and capital costs.

Proprietary Funds. The Authority's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the March Inland Port Airport Authority at the end of the year was \$2,811,054, Green Acres was \$3,515,687, the Golf Course was \$(1,748,998) and the Utilities Authority was \$(225,595). The total increase, (decrease) in net position from operations for March Inland Port Airport Authority was \$1,834,246 (primarily from the sale of capital assets), Green Acres \$1,045, Golf Course \$162,215 and Utilities Authority \$30,782.

MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2022

General Fund Budgetary Highlights

Original Budget Compared to Final Budget. The Authority adopts budgets that cover two fiscal years. For the 2022 fiscal year, there were no amendments to the budget.

Final Budget Compared to Actual Results. The most significant differences between estimated revenues and actual revenues were as follows:

Revenue source	Estimated Revenues	Actual Revenues	Difference
Investment earnings	\$ 300,000	\$ 35,993	\$ (264,007)
Other revenue	2,299,000	576,388	(1,722,612)

Licenses, permits and fees were lower than estimated. These revenues are based solely on the amount of redevelopment activity in the given year. Investment earnings were more than estimated due to investments performing better than expected throughout the fiscal year.

A review of actual expenditures compared to the appropriations in the final budget had significant variances. Appropriations of \$1,272,500 for planning costs were exceeded by the actual expenditures by \$290,833. This is due to the timing of development activity being less than what is forecasted at the time the budget was made.

Capital Asset and Debt Administration

Capital Assets. The Authority's investment in capital assets for its governmental and business type activities as of June 30, 2022, amounts to \$172,684,535 (net of accumulated depreciation). This investment in capital assets includes land, beverage rights, construction in progress, vehicles, office furniture and equipment, building and improvements, and infrastructure. The total decrease in capital assets for the current fiscal year was approximately 1.91%.

**The Authority's Capital Assets
(net of depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 100,232,840	\$ 100,232,840	\$ 37,480,265	\$ 39,480,265	\$ 137,713,105	\$ 139,713,105
Beverage rights	-	-	17,518	17,518	17,518	17,518
Construction in progress	46,118	46,118	-	-	46,118	46,118
Vehicles	11,022	15,430	36,352	36,352	47,374	51,782
Office furniture and equipment	28,952	36,677	71,141	29,277	100,093	65,954
Building and improvements	5,910,277	6,167,732	26,912,987	27,952,604	32,823,264	34,120,336
Infrastructure	359,621	449,498	1,582,635	1,617,805	1,942,256	2,067,303
Total	\$ 106,588,830	\$ 106,948,295	\$ 66,100,898	\$ 69,133,821	\$ 172,689,728	\$ 176,082,116

Major capital asset events during the current fiscal year included the following:

- March Inland Port disposed of \$2,000,000 worth of land.

MARCH JOINT POWERS AUTHORITY
Management's Discussion and Analysis
Year Ended June 30, 2022

Please see the table of contents for the location of the fiduciary fund financial statements within this document.

Long-term obligations. At the end of the current fiscal year, the Authority had total debt outstanding of \$2,013,927. The long-term debt consists of a loan payable.

The Authority's Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Loan payable	\$ -	\$ -	\$ 2,013,927	\$ 2,088,927	\$ 2,013,927	\$ 2,088,927
Total	\$ -	\$ -	\$ 2,013,927	\$ 2,088,927	\$ 2,013,927	\$ 2,088,927

The Authority's total debt decreased by \$75,000 during the current fiscal year due to the decrease in the loan payable due from the Golf Course.

Other long-term obligations were as follows:

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Compensated absences	\$ 83,114	\$ 202,101	\$ 142,848	\$ 134,734	\$ 225,962	\$ 336,835
Net pension liability	652,216	1,346,120	366,871	757,193	1,019,087	2,103,313
Net OPEB liability/(asset)	11,164	137,301	6,280	77,232	17,444	214,533
Total	\$ 746,494	\$ 1,685,522	\$ 515,999	\$ 969,159	\$ 1,262,493	\$ 2,654,681

Other long-term obligations decreased by \$1,392,188, primarily due to a decrease of \$1,084,226 for the net pension liability.

Please see the table of contents for the location of the fiduciary fund financial statements within this document.

Economic Factors and Next Year's Budgets and Rates:

The following economic factors currently affect the Authority and were considered in developing the 2022-23 fiscal year budget:

- Continued high demand for new large commercial property within the Inland Empire.
- Continued increase in commercial flight activity at March Inland Port.
- Interest rates are expected moderately rise through fiscal year 2022-23.

Requests for Information

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director at 14205 Meridian Parkway, Suite 140, Riverside, California 92518.

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MARCH JOINT POWERS AUTHORITY
Statement of Net Position
June 30, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 29,769,499	\$ 11,891,979	\$ 41,661,478
Restricted cash and investments	5,610,695	-	5,610,695
Receivables:			
Accounts	898,538	218,455	1,116,993
Grants	-	148,506	148,506
Loans	2,982,438	-	2,982,438
Interest	1,567,867	-	1,567,867
Leases	1,612,328	5,613,599	7,225,927
Deposits	1,283	-	1,283
Due from Successor Agency	381,005	-	381,005
Internal balances	3,137,896	(3,137,896)	-
Inventory	-	73,073	73,073
Capital assets, not being depreciated	100,278,958	37,497,783	137,776,741
Capital assets, net of depreciation	6,309,872	28,597,922	34,907,794
	<u>152,550,379</u>	<u>80,903,421</u>	<u>233,453,800</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	340,900	191,756	532,656
OPEB related items	164,386	92,467	256,853
	<u>505,286</u>	<u>284,223</u>	<u>789,509</u>
LIABILITIES			
Accounts payable and accrued liabilities	769,273	433,531	1,202,804
Interest payable	-	1,567,867	1,567,867
Deposits and other liabilities	3,566,691	179,618	3,746,309
Unavailable revenues	-	1,450	1,450
Liabilities payable from restricted assets:			
Other payables	5,678,100	-	5,678,100
Long-term liabilities:			
Due in one year	20,779	35,713	56,492
Due in more than one year	62,335	2,121,062	2,183,397
Net pension liability	652,216	366,871	1,019,087
Net OPEB liability	11,164	6,280	17,444
	<u>10,760,558</u>	<u>4,712,392</u>	<u>15,472,950</u>
DEFERRED INFLOWS OF RESOURCES			
Leases receivable related	1,612,328	5,613,599	7,225,927
Pension related items	617,202	347,176	964,378
OPEB related items	118,443	66,624	185,067
	<u>2,347,973</u>	<u>6,027,399</u>	<u>8,375,372</u>
NET POSITION			
Net investment in capital assets	106,588,830	66,095,705	172,684,535
Restricted for maintenance and landscaping	2,740,574	-	2,740,574
Unrestricted	30,617,730	4,352,148	34,969,878
	<u>\$ 139,947,134</u>	<u>\$ 70,447,853</u>	<u>\$ 210,394,987</u>

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Statement of Activities
Year Ended June 30, 2022

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:				
General government	\$ 5,536,717	\$ 4,719,116	\$ -	\$ 278,179
Total governmental activities	<u>5,536,717</u>	<u>4,719,116</u>	<u>-</u>	<u>278,179</u>
Business-type activities:				
March Inland Port Airport Authority	2,271,040	1,481,923	-	512,271
Green Acres	1,754,531	1,850,428	-	-
Golf Course	2,175,877	2,338,092	-	-
Utilities Authority	<u>231,820</u>	<u>262,602</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>6,433,268</u>	<u>5,933,045</u>	<u>-</u>	<u>512,271</u>
Total primary government	<u>\$ 11,969,985</u>	<u>\$ 10,652,161</u>	<u>\$ -</u>	<u>\$ 790,450</u>

General Revenues:
Taxes
Investment earnings
Gain on sale of capital asset
Other

Total general revenues and transfers

Change in net position

Net position, beginning

Net position, ending

The accompanying notes are an integral part of the financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (539,422)	\$ -	\$ (539,422)
<u>(539,422)</u>	<u>-</u>	<u>(539,422)</u>
-	(276,846)	(276,846)
-	95,897	95,897
-	162,215	162,215
-	30,782	30,782
<u>-</u>	<u>12,048</u>	<u>12,048</u>
<u>(539,422)</u>	<u>12,048</u>	<u>(527,374)</u>
600,000	-	600,000
35,993	16,240	52,233
-	2,000,000	2,000,000
<u>576,388</u>	<u>-</u>	<u>576,388</u>
<u>1,212,381</u>	<u>2,016,240</u>	<u>3,228,621</u>
672,959	2,028,288	2,701,247
<u>139,274,175</u>	<u>68,419,565</u>	<u>207,693,740</u>
<u>\$ 139,947,134</u>	<u>\$ 70,447,853</u>	<u>\$ 210,394,987</u>

MARCH JOINT POWERS AUTHORITY
Balance Sheet
Governmental Funds
June 30, 2022

	General Fund	Special Revenue		Total
		Meridian LLMD No. 1	March Lifecare Campus CFD 2013-1	
ASSETS				
Cash and investments	\$ 26,912,561	\$ 2,665,640	\$ 191,298	\$ 29,769,499
Restricted cash and investments	5,610,695	-	-	5,610,695
Receivables:				
Accounts	786,515	104,369	7,654	898,538
Loans	2,982,438	-	-	2,982,438
Interest	1,567,867	-	-	1,567,867
Leases	1,612,328	-	-	1,612,328
Deposits	1,283	-	-	1,283
Due from Successor Agency	381,005	-	-	381,005
Advances to other funds	3,137,896	-	-	3,137,896
Total assets	\$ 42,992,588	\$ 2,770,009	\$ 198,952	\$ 45,961,549
LIABILITIES				
Accounts payable and accrued liabilities	\$ 575,908	\$ 193,143	\$ 222	\$ 769,273
Deposits payable	3,559,317	7,374	-	3,566,691
Liabilities payable from restricted assets:				
Other payables	5,678,100	-	-	5,678,100
Total liabilities	9,813,325	200,517	222	10,014,064
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - intergovernmental	386,219	20,343	7,305	413,867
Leases receivable related	1,612,328	-	-	1,612,328
Total deferred inflows of resources	1,998,547	20,343	7,305	2,026,195
FUND BALANCE				
Nonspendable:				
Long-term successor agency loans	381,005	-	-	381,005
Long-term advances to other funds	3,137,896	-	-	3,137,896
Restricted:				
Maintenance and landscaping	-	2,549,149	191,425	2,740,574
Unassigned	27,661,815	-	-	27,661,815
Total fund balances	31,180,716	2,549,149	191,425	33,921,290
Total liabilities, deferred inflows of resources and fund balances	\$ 42,992,588	\$ 2,770,009	\$ 198,952	\$ 45,961,549

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2022

Fund balances of governmental funds	\$ 33,921,290
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets, net of depreciation, have not been included as financial resources in governmental fund activity.	106,588,830
Liabilities that are not due and payable in the current period and are not reported in the funds.	
Compensated absences	(83,114)
Net pension liability	(652,216)
Net OPEB liability	(11,164)
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	413,867
Deferred outflows and inflows of resources related to pensions and OPEB that are required to be recognized over a defined closed period.	
Pension related deferred outflows of resources	340,900
OPEB related deferred outflows of resources	164,386
Pension related deferred inflows of resources	(617,202)
OPEB related deferred inflows of resources	(118,443)
	<hr/>
Net position of governmental activities	<u><u>\$ 139,947,134</u></u>

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2022

	General Fund	Special Revenue		Total
		Meridian LLMD No. 1	March Lifecare Campus CFD 2013-1	
REVENUES				
Taxes	\$ 600,000	\$ -	\$ -	\$ 600,000
Licenses, permits and fees	2,395,538	-	-	2,395,538
Investment earnings	35,993	-	-	35,993
Lease revenue	260,758	-	-	260,758
Special assessments	-	2,010,135	52,684	2,062,819
Other revenue	576,388	-	-	576,388
Total revenues	<u>3,868,677</u>	<u>2,010,135</u>	<u>52,684</u>	<u>5,931,496</u>
EXPENDITURES				
Current:				
Administration	406,197	46,563	-	452,760
Salaries and benefits	1,276,464	97,660	-	1,374,124
Police patrols/security	216,495	-	-	216,495
Contractual/professional services	419,862	929,927	7,149	1,356,938
Project improvement costs	-	23,358	-	23,358
Legal	205,762	-	-	205,762
Planning	1,563,333	-	-	1,563,333
Maintenance and lease services	108,445	-	-	108,445
Buildings and grounds maintenance	60,490	-	-	60,490
Total expenditures	<u>4,257,048</u>	<u>1,097,508</u>	<u>7,149</u>	<u>5,361,705</u>
Excess of revenues over expenditures	<u>(388,371)</u>	<u>912,627</u>	<u>45,535</u>	<u>569,791</u>
Net change in fund balances	(388,371)	912,627	45,535	569,791
Fund balances, beginning	<u>31,569,087</u>	<u>1,636,522</u>	<u>145,890</u>	<u>33,351,499</u>
Fund balances, ending	<u>\$ 31,180,716</u>	<u>\$ 2,549,149</u>	<u>\$ 191,425</u>	<u>\$ 33,921,290</u>

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2022

Net change in fund balances - total governmental funds \$ 569,791

Amounts reported for governmental activities in the Statement of
 Activities are different because:

Revenues in the Statement of Activities that do not provide current financial
 resources are not reported as revenues in the governmental funds.

Intergovernmental revenues 278,179

Governmental funds report capital outlay as an expenditure in the full amount as
 current financial resources are used. However, in the Statement of Activities
 the cost of these assets is allocated over the estimated useful life as
 depreciation expense.

Depreciation expense (359,465)

Some expenses reported in the Statement of Activities do not require the use of
 current financial resources and are not reported as governmental fund
 expenditures.

Net change in compensated absences 118,987

Net change in net OPEB liability expenses 71,527

Net change in net pension liability expenses (6,060)

Change in net position of governmental activities \$ 672,959

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Statement of Net Position
Proprietary Funds
June 30, 2022

	March Inland Port Airport Authority	Green Acres	Golf Course
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 7,448,372	\$ 3,989,657	\$ 289,846
Receivables, net:			
Accounts	136,430	-	4,190
Grants	148,506	-	-
Leases	215,371	-	-
Inventory	-	-	73,073
Total current assets	<u>7,948,679</u>	<u>3,989,657</u>	<u>367,109</u>
Noncurrent assets:			
Leases receivable	5,398,228	-	-
Capital assets, not being depreciated	36,221,477	1,258,788	17,518
Capital assets, net of depreciation	22,412,566	6,118,567	66,789
Total noncurrent assets	<u>64,032,271</u>	<u>7,377,355</u>	<u>84,307</u>
Total assets	<u>71,980,950</u>	<u>11,367,012</u>	<u>451,416</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related items	122,511	69,245	-
OPEB related items	59,076	33,391	-
Total deferred outflows of resources	<u>181,587</u>	<u>102,636</u>	<u>-</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	212,076	101,741	102,180
Interest payable	1,567,867	-	-
Deposits	-	179,618	-
Compensated absences - current portion	32,945	2,768	-
Total current liabilities	<u>1,812,888</u>	<u>284,127</u>	<u>102,180</u>
Noncurrent liabilities:			
Loan payable	-	-	2,013,927
Compensated absences	98,833	8,302	-
Unavailable revenues	1,450	-	-
Net pension liability	234,390	132,481	-
Net OPEB liability	4,012	2,268	-
Advances from other funds	2,687,896	-	-
Total noncurrent liabilities	<u>3,026,581</u>	<u>143,051</u>	<u>2,013,927</u>
Total liabilities	<u>4,839,469</u>	<u>427,178</u>	<u>2,116,107</u>
DEFERRED INFLOWS OF RESOURCES			
Leases receivable related	5,613,599	-	-
Pension related items	221,807	125,369	-
OPEB related items	42,565	24,059	-
Total deferred inflows of resources	<u>5,877,971</u>	<u>149,428</u>	<u>-</u>
NET POSITION (deficit)			
Net investment in capital assets	58,634,043	7,377,355	84,307
Unrestricted	2,811,054	3,515,687	(1,748,998)
Total net position	<u>\$ 61,445,097</u>	<u>\$ 10,893,042</u>	<u>\$ (1,664,691)</u>

The accompanying notes are an integral part of the financial statements.

<u>Utilities Authority</u>	<u>Total</u>
\$ 164,104	\$ 11,891,979
77,835	218,455
-	148,506
-	215,371
-	73,073
<u>241,939</u>	<u>12,547,384</u>
-	5,398,228
-	37,497,783
-	28,597,922
-	71,493,933
<u>241,939</u>	<u>84,041,317</u>
-	191,756
-	92,467
-	284,223
17,534	433,531
-	1,567,867
-	179,618
-	35,713
<u>17,534</u>	<u>2,216,729</u>
-	2,013,927
-	107,135
-	1,450
-	366,871
-	6,280
<u>450,000</u>	<u>3,137,896</u>
<u>450,000</u>	<u>5,633,559</u>
<u>467,534</u>	<u>7,850,288</u>
-	5,613,599
-	347,176
-	66,624
-	6,027,399
-	66,095,705
<u>(225,595)</u>	<u>4,352,148</u>
<u>\$ (225,595)</u>	<u>\$ 70,447,853</u>

MARCH JOINT POWERS AUTHORITY
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year Ended June 30, 2022

	March Inland Port Airport Authority	Green Acres	Golf Course
OPERATING REVENUES			
Charges for services	\$ 1,240,837	\$ 52,496	\$ 2,338,092
Rental income	-	1,795,480	-
Lease income	239,031	-	-
Permit fees	2,000	-	-
Other	55	2,452	-
	<u>1,481,923</u>	<u>1,850,428</u>	<u>2,338,092</u>
OPERATING EXPENSES			
Administrative	256,019	41,366	-
Professional services	50,168	291,196	2,170,649
Salaries and employee benefits	636,335	1,232	-
Purchased water/utilities	-	614,407	-
Insurance/claims	-	34,277	-
Repairs and maintenance	92,373	412,502	-
Project improvement costs	337,901	26,064	-
Depreciation	778,698	301,616	5,228
Services and fees	15,046	-	-
Other	-	31,871	-
	<u>2,166,540</u>	<u>1,754,531</u>	<u>2,175,877</u>
Total operating revenues	<u>1,481,923</u>	<u>1,850,428</u>	<u>2,338,092</u>
Total operating expenses	<u>2,166,540</u>	<u>1,754,531</u>	<u>2,175,877</u>
Operating income (loss)	<u>(684,617)</u>	<u>95,897</u>	<u>162,215</u>
NONOPERATING REVENUES (EXPENSES)			
Gain on sale of capital asset	2,000,000	-	-
Investment earnings	111,092	(94,852)	-
Interest expense	(104,500)	-	-
	<u>2,006,592</u>	<u>(94,852)</u>	<u>-</u>
Total nonoperating revenues (expenses)	<u>2,006,592</u>	<u>(94,852)</u>	<u>-</u>
Income (loss) before capital contributions and transfers	<u>1,321,975</u>	<u>1,045</u>	<u>162,215</u>
CAPITAL CONTRIBUTIONS	<u>512,271</u>	<u>-</u>	<u>-</u>
Change in net position	1,834,246	1,045	162,215
Net position (deficit), beginning	<u>59,610,851</u>	<u>10,891,997</u>	<u>(1,826,906)</u>
Net position (deficit), ending	<u>\$ 61,445,097</u>	<u>\$ 10,893,042</u>	<u>\$ (1,664,691)</u>

The accompanying notes are an integral part of the financial statements.

Utilities Authority	Total
\$ 262,602	\$ 3,894,027
-	1,795,480
-	239,031
-	2,000
-	2,507
262,602	5,933,045
6,798	304,183
-	2,512,013
-	637,567
209,057	823,464
-	34,277
15,965	520,840
-	363,965
-	1,085,542
-	15,046
-	31,871
231,820	6,328,768
30,782	(395,723)
-	2,000,000
-	16,240
-	(104,500)
-	1,911,740
30,782	1,516,017
-	512,271
30,782	2,028,288
(256,377)	68,419,565
\$ (225,595)	\$ 70,447,853

MARCH JOINT POWERS AUTHORITY
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2022

	March Inland Port Airport Authority	Green Acres	Golf Course
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 1,372,019	\$ 1,852,426	\$ 2,340,196
Cash payments for employee services (salaries)	(629,599)	(62,010)	-
Cash payments to suppliers for goods and services	(597,458)	(1,422,917)	(2,160,117)
Net cash provided by (used for) operating activities	<u>144,962</u>	<u>367,499</u>	<u>180,079</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from sale of capital assets	4,000,000	-	-
Acquisition of capital assets	-	-	(47,426)
Capital contributions	363,765	-	-
Payment on JPA operating advances	-	-	(75,001)
Net cash provided by (used for) capital and related financing activities	<u>4,363,765</u>	<u>-</u>	<u>(122,427)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest earnings	111,092	(94,852)	-
Net cash provided by (used for) investing activities	<u>111,092</u>	<u>(94,852)</u>	<u>-</u>
INCREASE IN CASH AND CASH EQUIVALENTS			
	4,619,819	272,647	57,652
Cash and cash equivalents - beginning of year	<u>2,828,553</u>	<u>3,717,010</u>	<u>232,194</u>
Cash and cash equivalents - end of year	<u>\$ 7,448,372</u>	<u>\$ 3,989,657</u>	<u>\$ 289,846</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES			
Operating income (loss)	\$ (684,617)	\$ 95,897	\$ 162,215
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:			
Depreciation	778,698	301,616	5,228
(Increase) decrease in accounts receivable	(111,354)	1,998	2,104
(Increase) decrease in inventory	-	-	(15,784)
(Increase) decrease in pension/OPEB related deferred outflows	21,694	12,263	-
Increase (decrease) in accounts payable and accrued liabilities	136,745	13,644	26,316
(Increase) decrease in compensated absences	47,569	(39,455)	-
Increase (decrease) in unavailable revenues	1,450	-	-
Increase (decrease) in deposits	-	7,096	-
Increase (decrease) in net pension liability	(249,372)	(140,950)	-
Increase (decrease) in net OPEB liability	(45,331)	(25,621)	-
Increase (decrease) in pension/OPEB related deferred inflows	249,480	141,011	-
Total cash provided by (used for) operating activities	<u>\$ 144,962</u>	<u>\$ 367,499</u>	<u>\$ 180,079</u>

The accompanying notes are an integral part of the financial statements.

<u>Utilities Authority</u>	<u>Total</u>
\$ 253,254	\$ 5,817,895
-	(691,609)
<u>(246,670)</u>	<u>(4,427,162)</u>
6,584	699,124
-	4,000,000
-	(47,426)
-	363,765
-	<u>(75,001)</u>
-	<u>4,241,338</u>
-	<u>16,240</u>
-	<u>16,240</u>
6,584	4,956,702
<u>157,520</u>	<u>6,935,277</u>
<u>\$ 164,104</u>	<u>\$ 11,891,979</u>

\$ 30,782	\$ (395,723)
-	1,085,542
(9,348)	(116,600)
-	(15,784)
-	33,957
(14,850)	161,855
-	8,114
-	1,450
-	7,096
-	(390,322)
-	(70,952)
-	<u>390,491</u>
<u>\$ 6,584</u>	<u>\$ 699,124</u>

MARCH JOINT POWERS AUTHORITY
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	Successor Agency Private-purpose Trust Fund
ASSETS	
Cash and investments	\$ 2,553,017
Cash and investments with fiscal agent	15,940
Prepaid items	234,875
	<hr/>
Total assets	2,803,832
	<hr/>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on refunding	6,956,404
	<hr/>
Total deferred outflows of resources	6,956,404
	<hr/>
LIABILITIES	
Interest payable	479,977
Due to General Fund	381,005
Loans payable - due in one year	541,820
Loans payable - due in more than one year	426,691
Bonds payable - due in one year	955,000
Bonds payable - due in more than one year	30,945,495
	<hr/>
Total liabilities	33,729,988
	<hr/>
NET POSITION (DEFICIT)	
Net position held in trust for redevelopment	(23,969,752)
	<hr/>
Total net position	\$ (23,969,752)
	<hr/> <hr/>

The accompanying notes are an integral part of the financial statements.

MARCH JOINT POWERS AUTHORITY
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2022

	Successor Agency Private-purpose Trust Fund
ADDITIONS	
Taxes	\$ 2,463,596
Investment earnings	10
	<hr/>
Total additions	2,463,606
	<hr/>
DEDUCTIONS	
Administration	267,308
Contractual/professional services	7,175
Interest expense	1,383,253
	<hr/>
Total deductions	1,657,736
	<hr/>
Change in net position	805,870
	<hr/>
Net position (deficit), beginning	(24,775,622)
	<hr/>
Net position (deficit), ending	<u><u>\$ (23,969,752)</u></u>

The accompanying notes are an integral part of the financial statements.

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MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

<u>NOTE</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
1	Reporting Entity and Summary of Significant Accounting Policies	30
2	Cash and Investments	41
3	Fair Value Measurements	44
4	Loans Receivable	45
5	Interfund Receivables, Payables and Transfers	45
6	Capital Assets	46
7	Long-Term Liabilities	48
8	Deficit Fund Balances/Net Position	48
9	Leases	48
10	Risk Management	49
11	Employees' Retirement Plan	50
12	Deferred Compensation Plan	57
13	Other Post Employment Benefits	58
14	Commitments and Contingencies	62
15	Successor Agency of Former Redevelopment Agency	64

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MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Description of the Reporting Entity

The March Joint Powers Authority (the "Authority") was formed on November 14, 1993, under a joint exercise of powers agreement among the Cities of Perris, Moreno Valley and Riverside and the County of Riverside for the purpose of formulating and implementing plans for the use and reuse of the property formerly known as March Air Force Base.

The Authority's office and records are located at 14205 Meridian Parkway, Suite 140, Riverside, California 92518.

The Authority Commissioners are as follows:

Name	Title	Representing
Jeff Hewitt	Chairman	County of Riverside
Chuck Conder	Vice Chair	City of Riverside
Rita Rogers	Commissioner	City of Perris
Kevin Jeffries	Commissioner	County of Riverside
Jim Perry	Commissioner	City of Riverside
Michael Vargas	Commissioner	City of Perris
Edward Delgado	Commissioner	City of Moreno Valley
Dr. Yxstian Gutierrez	Commissioner	City of Moreno Valley

The Joint Powers Commission meets on the second and fourth Wednesday of each month.

The accounting policies of the Authority conform to accounting principles generally accepted in the United States of America as they are applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant policies reflected in the financial statements are summarized as follows:

The financial statements of the March Joint Powers Authority include the financial activities of the Authority, the March Inland Port Airport Authority and the March Joint Powers Utilities Authority. In accordance with GASB, the basic criteria for including an agency, institution, authority or other organization in a governmental unit's financial reporting entity is financial accountability. Financial accountability includes, but is not limited to: 1) selection of the governing body, 2) imposition of will, 3) ability to provide a financial benefit to or impose a financial burden on and 4) fiscal dependency.

There may, however, be factors other than financial accountability that are so significant that exclusion of a particular agency from a reporting entity's financial statements would be misleading. These other factors include scope of public service and special financing relationships.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

A) Description of the Reporting Entity (continued)

Based upon the application of these criteria, an agency, institution, authority or other organization may be included as a component unit in the primary government's financial statements. Blended component units, although legally separate entities are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. A discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government. There are no discretely presented component units in these financial statements. Each blended component unit presented has a June 30 year end.

The following is a brief review of each component unit included in the primary government's reporting entity.

March Inland Port Airport Authority

The March Inland Port Airport Authority (the "Airport Authority") was formed on June 18, 1997 under a joint exercise of powers agreement between the Cities of Perris, Moreno Valley and Riverside and the County of Riverside for the purpose of formulating and implementing plans for the use and reuse of March Air Force Base. The March Inland Port Airport Authority will be used to market and promote the economic development opportunity associated with the creation of the joint use airport and for the associated development or redevelopment of adjacent and nearby vacant properties. The March Inland Port Airport Authority's activities are blended with those of the Authority in these financial statements and are reported as an enterprise fund. Separate component financial statements can be obtained from the Authority's office.

March Joint Powers Utilities Authority

The March Joint Powers Utilities Authority (the "Utilities Authority") was formed on August 8, 2002 by the City of Moreno Valley, a general law city of the State of California, the City of Perris, a general law city of the State of California and the City of Riverside, a charter city and municipal corporation of the State of California. The purpose of the Utility Authority is to provide construction, completion, reconstruction, extension, change, enlargement, acquisition, leasing, operation, maintenance, repair and control of facilities for the generation, transmission, distribution and sale of utilities and utilities service. The sale and service of Utilities will be to municipalities, public utility districts, corporations, businesses or persons located at the property formerly known as March Air Force Base. Separate component financial statements can be obtained from the Authority's office.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

B) Basis of Presentation

Generally accepted accounting principles in the United States of America (GAAP) require that the financial statements described below be presented:

Government-wide Statements: The Government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are expenses that are clearly identifiable with a specific program, project, function or segment. Program revenues of the Authority include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items that are properly not included among program revenues are reported instead as general revenues.

Fund Financial Statements: Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as non-major funds.

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and private-purpose trust fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the providers have been met.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for property taxes. Property taxes are recognized in the year for which they are levied. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Taxes, intergovernmental revenues, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual, and are therefore recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Authority.

The Authority reports the following major governmental funds:

The *General Fund* is used to account for all financial resources of the Authority, except those required to be accounted for in another fund.

The *Meridian LLMD No. 1 Special Revenue Fund* is used to account for special assessments through property tax collections and the expenditures for the maintenance and landscaping of the Meridian Business Park.

The *March Lifecare Campus CFD 2013-1 Special Revenue Fund* is used to account for special assessments through property tax collection and the expenditures for the maintenance of the March Lifecare Campus.

The Authority reports the following major proprietary funds:

The *March Inland Port Airport Authority Fund* accounts for the activities of the Airport Authority, a blended component unit of the Authority. The Authority operates the joint use of the airport as well as development of the airport and adjacent properties.

The *Green Acres Fund* accounts for the activities of the Green Acres Housing Area.

The *Golf Course Fund* accounts for the activities of the Authority's golf course operations.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(continued)

The *Utility Authority Fund* accounts for the activities of the Authority's utility operations.

The *Enterprise Funds* are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. Revenues are fully accrued to include unbilled services at year end.

Additionally, the Authority reports the following fund types:

The *Fiduciary Funds* are used to account for resources held in the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the Authority's own programs. The accounting used by the fiduciary funds are much like that used for proprietary funds.

The Authority reports the following fiduciary activities:

The *Private-purpose trust fund* is used to report resources held in trust for the Successor Agency of the former Redevelopment Agency.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Direct expenses have not been eliminated from the functional categories; indirect expenses and internal payments have been eliminated.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grant and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the policy of the Authority to use restricted resources first, and then use unrestricted resources as they are needed.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

D) Encumbrances

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executor) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executor contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

E) Cash and Cash Equivalents

In accordance with generally accepted accounting principles, for purposes of the Statement of Cash Flows, all cash and investments with original maturities of 90 days or less are considered cash or cash equivalents. For financial statement presentation purposes cash and cash equivalents are shown as cash in the Proprietary Funds.

F) Cash and Investments

As a governmental entity other than an external investment pool in accordance with generally accepted accounting principles, the Authority's investments are stated at fair value except for interest-earning investment contracts.

Restricted cash and investments consist of \$3,867,311 for Meridian drainage fee deposits, and \$1,743,384 for fire department impact fees.

G) Uncollectible Accounts

The Authority uses the allowance method of recording uncollectible accounts. Currently, the Authority believes all receivables are collectible based on prior experience. Therefore, there is no current allowance recorded.

H) Inventory and Prepaid Items

Inventory is valued at cost, using the first-in, and first-out basis.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements. The cost of prepaid items is recorded as expenses when consumed rather than when purchased.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

I) Capital Assets

Capital assets, which include land, buildings, building improvements, machinery, vehicles, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are recorded at cost where historical records are available and at an estimated historical cost where no historical records exist. The cost of normal maintenance and repairs that do not add to the value of the asset's lives are not capitalized.

Major capital outlay for capital assets and improvements are capitalized as projects are constructed. For debt-financed capital assets, interest incurred during the construction phase is reflected in the capitalization value of the asset constructed, net of interest earned on the invested proceeds over the same period. Capital assets acquired through lease obligations are valued at the present value of future lease payments at the date acquired. Donated or transferred capital assets are valued at their estimated acquisition value at the date of donation or transfer.

Capital assets, with an initial cost of \$5,000, used in operations are depreciated over their estimated useful lives using the straight-line method in the government-wide financial statements and in the fund financial statements of the proprietary funds. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the respective balance sheet. The range of lives used for depreciation purposes for each capital asset class is as follows:

Buildings and improvements	7 – 50 years
Vehicles	5 years
Office equipment and furniture	5 years
Infrastructure	30 – 100 years

J) Liabilities Payable from Restricted Assets

Liabilities payable from restricted assets consist of the following: \$1,739,041 for County fire facilities, \$3,856,816 for the Meridian drainage fee deposits and \$82,243 for Lifecare Campus Drainage Fees.

K) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Authority has deferred outflows related to pensions, other post-employment benefits (OPEB), and leases receivable.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

K) Deferred Outflows/Inflows of Resources (continued)

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Authority has deferred outflows related to pensions, other post-employment benefits (OPEB), and leases receivable.

In addition to liabilities, the statement of net position and the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Authority has several types of deferred inflows of resources. One item arises only under a modified accrual basis of accounting. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from intergovernmental revenues and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

L) Compensated Absences

In accordance with generally accepted accounting principles, a liability is recorded for unused vacation and similar compensatory leave balances since the employees' entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payment upon termination or retirement.

All leave benefits are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported if they have matured, for example, as result of employee resignations and retirements. Leave benefits are generally liquidated by the General Fund, March Inland Port Airport Authority and Green Acres funds.

M) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

M) Pensions (continued)

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021

N) Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Authority's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 2019
Measurement Date	June 30, 2021
Measurement Period	July 1, 2019 to June 30, 2021

O) Net Position

Generally accepted accounting principles requires that the difference between assets, liabilities and deferred outflows/inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position classified as net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding principal of related debt. Restricted net position is the net position that has external constraints placed on them by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions, or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

P) Fund Balance

Fund balance in governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Authority is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The Authority considers restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable Fund Balance - Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact.

Restricted Fund Balance - Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (though constitutional provisions or enabling legislation).

Committed Fund Balance - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the government's highest level of decision-making authority. The Joint Powers Commission is the highest level of decision-making authority for the Authority that can, by adoption of an ordinance or resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance or resolution remains in place until a similar action is taken to remove or revise the limitation.

Assigned Fund Balance - Amounts that are constrained by the Authority's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body, or by an official to whom the authority has been given.

Unassigned Fund Balance - These are either residual positive net resources of the General Fund in excess of what can properly be classified in one of the other categories, or negative balances in all other funds.

Q) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses/expenditures, as appropriate, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

1) REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)

R) Property Tax

Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Lien Date	January 1	
Levy Date	July 1 to June 30	
Due Date	November 1	- 1 st installment
	February 1	- 2 nd installment
Delinquent Date	December 10	- 1 st installment
	April 10	- 2 nd installment

Under California law, property taxes are assessed and collected by the counties up to 1%, of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the agencies based on complex formulas prescribed by the state statutes.

S) Other Revenue

The General Fund's other revenue includes \$73,400 for foreign trade zone fees, \$250,000 for Successor Agency administration fees and \$252,988 for miscellaneous revenues.

T) Reclassification

The Authority has reclassified certain prior year information to conform with current year presentation, with no effect on net position.

U) New Accounting Pronouncement

GASB Statement No. 87 – As of July 1, 2021, the Authority adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The standard requires recognition of certain right to use leased assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The standard also requires lessors to recognize a lease receivable and deferred inflow of resources. As a result of implementing this standard, the Authority recognized a lease receivable and deferred inflow of resources in the amount of \$7,225,927 and \$7,225,927 as of July 1, 2021. As a result of these adjustments there was no effect on beginning net position or fund balance. The additional disclosures required by this standard are included in Note 9.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

2) CASH AND INVESTMENTS

Cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 41,661,478
Restricted cash and investments	5,610,695
Statement of Fiduciary Net Position:	
Cash and investments	2,553,017
Cash and investments with fiscal agent	<u>15,940</u>
 Total cash and investments	 <u><u>\$ 49,841,130</u></u>

Cash and investments consist of the following:

Petty cash	\$ 407
Deposits with financial institutions	25,990,934
Investments	<u>23,849,789</u>
 Total cash and investments	 <u><u>\$ 49,841,130</u></u>

Investments Authorized by the California Government Code and the Authority's Investment Policy

The table below identifies the investment types that are authorized by the Authority's investment policy. The table also identifies certain provisions of the California Government Code (or the Authority's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Percentage of Portfolio ⁽¹⁾	Investment in One Issuer
Local agency bonds	5 years	None	None
U.S. Treasury obligations	5 years	None	None
U.S. agency securities	5 years	None	None
State of California notes/bonds	5 years	None	None
Banker's acceptances	180 days	40%	30%
Prime commercial paper ⁽²⁾⁽³⁾	270 days	25%	10%
Negotiable certificates of deposit	5 years	30%	None
Repurchase agreements	1 year	None	None
Reverse repurchase agreements	92 days	20% of Base Value	None
Medium - Term Notes ⁽³⁾	5 years	30%	None
Mutual funds	N/A	20%	10%
Money market mutual funds	N/A	20%	10%
Mortgage pass-through securities	5 years	20%	None
Local Agency Investment Fund (LAIF)	N/A	None	\$75m

⁽¹⁾ Excluding amounts held by bond trustee that are not subject to California Government Code Restrictions.

⁽²⁾ U.S. Corporation with assets greater than \$500 million.

⁽³⁾ Rated "A" or better by Moody's or S&P.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

2) CASH AND INVESTMENTS (continued)

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee is governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Authority's investment policy. For additional information refer to the original bond issuance documents.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Authority manages its exposure to interest rates risk is by purchasing money market funds.

Information about the sensitivity of the fair values of the Authority's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Authority's investments by maturity:

Investment Type	Fair Value	12 Months or Less	13 to 24 Months	25 to 60 Months	More than 60 Months
Money market and mutual funds	\$ 1,175,978	\$ 1,175,978	\$ -	\$ -	\$ -
U.S. Treasury obligations	16,416,862	16,416,862	-	-	-
Medium-term notes	843,846	547,344	98,834	197,668	-
U.S. Agency securities	5,397,163	346,512	895,853	4,154,798	-
Held by Bond Trustee:					
Money market funds	15,940	15,940	-	-	-
Total	\$23,849,789	\$18,502,636	\$ 994,687	\$ 4,352,466	\$ -

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code or the Authority's investment policy and the actual rating as of year-end for each investment type.

Investment Type	Amount	Minimum Legal Rating	Exempt from Disclosure	Rating as of Year End		
				AA	A	Not Rated
Money market and mutual funds	\$ 1,175,978	N/A	\$ -	\$ -	\$ -	\$ 1,175,978
U.S. Treasury obligations	16,416,862	N/A	-	-	-	16,416,862
Medium-term notes	843,846	A	-	546,315	297,531	-
U.S. Agency securities	5,397,163	N/A	-	3,813,626	-	1,583,537
Held by Bond Trustee:						
Money market funds	15,940	N/A	-	-	-	15,940
Total	\$23,849,789		\$ -	\$ 4,359,941	\$ 297,531	\$ 19,192,317

2) CASH AND INVESTMENTS (continued)

Concentration of Credit Risk

The investment policy of the Authority contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the Government Code. Investments in any one issue (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of the total Authority's investments are as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Reported Amount</u>
Fannie Mae	U.S. Agency securities	\$ 1,300,382
Federal Home Loan	U.S. Agency securities	1,915,398

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2022, no deposits of the Authority's with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts, and none of the Authority's investments were held by the broker-dealer (counterparty) that was used by the Authority to buy the securities.

Cash and Investments with Fiscal Agent

Included in cash and investments with fiscal agent are the debt securities issued by the Successor Agency. These are obligations of the Successor Agency and, therefore, are not obligations of the Authority.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

3) FAIR VALUE MEASUREMENTS

Generally accepted accounting principles provides the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value with Level 1 given the highest priority and Level 3 the lowest priority. The three levels of the fair value hierarchy are as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the organization has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include the following:

- a. Quoted prices for similar assets or liabilities in active markets.
- b. Quoted prices for identical or similar assets or liabilities in markets that are not active.
- c. Inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, volatilities, prepayment speeds, loss severities, credit risks, and default rates).
- d. Inputs that are derived principally from or corroborated by observable market data by correlation or other means (market-corroborated inputs).

Level 3 inputs are unobservable inputs for the asset or liability.

Fair value of assets measured on a recurring basis at June 30, 2022, are as follows:

	Fair Value	Significant Other Observable Inputs (Level 2)	Uncategorized
Investments:			
Money market mutual funds	\$ 1,175,978	\$ -	\$ 1,175,978
U.S. Treasury obligations	16,416,862	16,416,862	-
Medium-term notes	843,846	843,846	-
Federal securities	5,397,163	5,397,163	-
Held by Bond Trustee:			
Money market funds	15,940	-	15,940
 Total Investments	 <u>\$ 23,849,789</u>	 <u>\$ 22,657,871</u>	 <u>\$ 1,191,918</u>

Fair values for investments are determined by using a matrix pricing technique. Matrix pricing is used to value securities based on the security's relationship to benchmark quoted prices. Uncategorized investments are not subject to the fair value hierarchy.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

4) LOANS RECEIVABLE

The aforementioned loans were made by the Authority to provide operating funds to the March Joint Powers Redevelopment Agency. The loans will be repaid from tax increment at such time as excess funds exist. On February 1, 2012, the redevelopment agency was dissolved (see Note 15) and the Successor Agency to the March Joint Powers Redevelopment Agency oversees the remaining activities of the former redevelopment agency. The balance outstanding as of June 30, 2022 for all loans is \$968,511. The loans have a 5% simple interest rate.

The Authority has also accumulated a receivable from the Golf Course in order to support operations. The loan will be repaid at such time excess revenues from operations exist. The balance outstanding as of June 30, 2022 is \$2,013,927.

5) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

There were no amounts due to/from other funds as of June 30, 2022.

Advances to/from other funds are as follows:

<u>Advance To</u>	<u>Advance From General Fund</u>
March Inland Port Airport	\$ 2,687,896
Utilities Authority	<u>450,000</u>
Total	<u>\$ 3,137,896</u>

March Inland Port Airport Advance

The aforementioned loan was made by the General Fund to provide operating funds for the March Inland Port Airport Authority. The loan will be repaid from airport revenues at such time excess funds become available.

Utilities Authority Advance

The aforementioned loan was made by the General Fund to provide operating funds for the Utilities Authority. The loan will be repaid from utility revenues at such time excess funds become available.

There were no interfund transfers as of June 30, 2022.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

6) CAPITAL ASSETS

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 100,232,840	\$ -	\$ -	\$ 100,232,840
Construction in progress	46,118	-	-	46,118
	<u>100,278,958</u>	<u>-</u>	<u>-</u>	<u>100,278,958</u>
Total capital assets, not being depreciated				
	100,278,958	-	-	100,278,958
Capital assets, being depreciated:				
Vehicles	167,893	-	-	167,893
Office furniture and equipment	121,256	-	-	121,256
Building and improvements	12,070,590	-	-	12,070,590
Infrastructure	1,226,084	-	-	1,226,084
	<u>13,585,823</u>	<u>-</u>	<u>-</u>	<u>13,585,823</u>
Total capital assets, being depreciated				
	13,585,823	-	-	13,585,823
Less accumulated depreciation:				
Vehicles	(152,463)	(4,408)	-	(156,871)
Office furniture and equipment	(84,579)	(7,725)	-	(92,304)
Building and improvements	(5,902,858)	(257,455)	-	(6,160,313)
Infrastructure	(776,586)	(89,877)	-	(866,463)
	<u>(6,916,486)</u>	<u>(359,465)</u>	<u>-</u>	<u>(7,275,951)</u>
Total accumulated depreciation				
	(6,916,486)	(359,465)	-	(7,275,951)
Total capital assets, being depreciated, net				
	<u>6,669,337</u>	<u>(359,465)</u>	<u>-</u>	<u>6,309,872</u>
Governmental activities capital assets, net of depreciation				
	<u>\$ 106,948,295</u>	<u>\$ (359,465)</u>	<u>\$ -</u>	<u>\$ 106,588,830</u>

Depreciation expense of \$359,465 was charged to the general government function in the Statement of Activities.

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MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

6) CAPITAL ASSETS (continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 39,480,265	\$ -	\$ (2,000,000)	\$ 37,480,265
Beverage rights	17,518	-	-	17,518
Construction in progress	-	-	-	-
Total capital assets, not being depreciated	39,497,783	-	(2,000,000)	37,497,783
Capital assets, being depreciated:				
Office furniture and equipment	31,160	47,426	-	78,586
Building and improvements	42,782,399	-	-	42,782,399
Vehicles	36,352	-	-	36,352
Infrastructure	2,817,370	-	-	2,817,370
Total capital assets, being depreciated	45,667,281	47,426	-	45,714,707
Less accumulated depreciation:				
Office furniture and equipment	(1,883)	(5,562)	-	(7,445)
Building and improvements	(14,829,795)	(1,039,617)	-	(15,869,412)
Vehicles	-	(5,193)	-	(5,193)
Infrastructure	(1,199,565)	(35,170)	-	(1,234,735)
Total accumulated depreciation	(16,031,243)	(1,085,542)	-	(17,116,785)
Total capital assets, being depreciated, net	29,636,038	(1,038,116)	-	28,597,922
Business-type activities capital assets, net of depreciation	\$ 69,133,821	\$ (1,038,116)	\$ (2,000,000)	\$ 66,095,705

Depreciation was charged to functions/programs as follows:

Business-type Activities:	
March Inland Port Airport Authority	\$ 778,698
Green Acres	301,616
Golf Course	5,228
	<u>5,228</u>
Total depreciation expense - Business-type activities	\$ 1,085,542

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

7) LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities:

Governmental Activities:					
Description	Beginning Balance	Obligations Incurred	Obligations Satisfied	Ending Balance	Due Within One Year
Compensated absences	\$ 202,101	\$ -	\$ (118,987)*	\$ 83,114	\$ 20,779
Business type Activities:					
Description	Beginning Balance	Obligations Incurred	Obligations Satisfied	Ending Balance	Due Within One Year
Loan payable	\$ 2,088,927	\$ -	\$ (75,000)	\$ 2,013,927	\$ -
Compensated absences	134,734	8,114*	-	142,848	35,713
Total Business-type Activities	\$ 2,223,661	\$ -	\$ (75,000)	\$ 2,156,775	\$ 35,713

*The change in the compensated absences liability is presented as a net change.

8) DEFICIT FUND BALANCES/NET POSITION

The Authority reported the following fund balance/net position deficit for the year ended June 30, 2022:

Fund	Amount
Major Fund	
Golf Course	\$ (1,664,691)
Utilities Authority	(225,595)

Management is very much aware of the seriousness of the above deficit and is currently taking steps to eliminate it. This deficit is expected to be eliminated by future revenues.

9) LEASES

Long-term Leases

During the year, the Authority had the following lease activity:

The Authority entered into several long-term leases with various private entities. The leases vary in length from 18 months to 516 months. Payments on the leases are due monthly, except for one lease which has semi-annual payments. In addition, one other lease requires only half of the monthly payment to be paid with the other half accruing during the year with a balloon payment due after twelve months. During the year, the Authority recognized \$167,257 and \$499,789 in interest and lease revenue, respectively. As of June 30, 2022, the lease receivable and deferred inflows of resources related to leases were \$7,225,927, respectively.

9) LEASES (continued)

Short-term Leases

The Authority also leases 111 housing units in the area known as Green Acres. The leases are considered month-to-month leases; therefore, no lease receivable or related deferred amounts have been recorded in the financial statements.

10) RISK MANAGEMENT

General Liability Insurance

The Authority is a member of the Public Entity Risk Management Authority (PERMA) a joint powers Authority formed under Section 990 of the California Government Code for the purpose of jointly funding programs of insurance coverage for its members. The governing Board of Directors consists of one member from each participating agency.

The Authority has liability coverage as follows:

- A. \$1,000,000 inclusive of the Member's self-insured retention of \$0.
- B. \$50,000,000, subject to PERMA's retained limit of \$1,000,000 for Coverage A, in accordance with the terms of the Memorandum of Liability Coverage for the California Joint Powers Risk Management Authority.

Workers Compensation Insurance

The Authority is insured up to \$1,000,000 per occurrence.

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11) EMPLOYEES' RETIREMENT PLAN

General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan or PERF C) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The Authority participates in one plan (miscellaneous). Benefit provisions under the Plan are established by State statute and the Authority resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS' website, at www.calpers.ca.gov.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

11) EMPLOYEES' RETIREMENT PLAN (continued)

General Information about the Pension Plan (continued)

The Plan's provisions and benefits in effect as of June 30, 2022 are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On of After January 1, 2013
Hire date	2.7% at 55	2% at 62
Benefit formulas	5 Years service	5 Years service
Benefit vesting schedule	Monthly for life	Monthly for life
Benefit payments	50 - 55+	52 - 67+
Retirement age	2.0% - 2.7%	1.0% - 2.5%
Monthly benefits, as a % of eligible compensation	14.02%	7.59%
Required employer contribution rates		

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Employer contributions to the Plan for the fiscal year ended June 30, 2022 were \$306,243. The actual employer payments of \$286,390 made to CalPERS by the District during the measurement period ended June 30, 2021 differed from the District's proportionate share of the employer's contributions of \$326,083 by \$39,693, which is being amortized over the expected average remaining service lifetime in the Public Agency Cost-Sharing Multiple Employer Plan.

Net Pension Liability

The Authority's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability is measured as of June 30, 2021, using an annual actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

11) EMPLOYEES' RETIREMENT PLAN (continued)

Net Pension Liability (continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

All other actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website, at www.calpers.ca.gov.

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Actuarial cost method	Entry age normal in accordance with the requirements of GASB
Asset valuation method	Market value of assets
Actuarial Assumptions:	
Discount rate	7.15%
Inflation	2.50%
Salary increases ⁽¹⁾	Varies by entry age and service
Mortality rate table ⁽¹⁾	Derived using CalPERS' membership data for all funds
Post retirement benefit increase	Contract COLA up to 2.5% until purchasing power protection allowance floor on purchasing power applies, 2.5% thereafter

(1) The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

11) EMPLOYEES' RETIREMENT PLAN (continued)

Net Pension Liability (continued)

The expected real rates of return by asset class are as follows:

Asset Class ¹	Allocation	Years 1-10 ²	Years 11+ ³
Public equity	50.0%	4.80%	5.98%
Fixed income	28.0%	1.00%	2.62%
Inflation assets	-	0.77%	1.81%
Private equity	8.0%	6.30%	7.23%
Real assets	13.0%	3.75%	4.93%
Liquidity	1.0%	-	-0.92%

(1) In the System's ACFR, fixed income is included in global debt securities; liquidity is included in short-term investments; inflation assets are included in both global equity securities and global debt securities.

(2) An expected inflation of 2.0% used for this period

(3) An expected inflation of 2.92% used for this period

Change of Assumptions

There were no change of assumptions for measurement date June 30, 2021.

Discount Rate

The discount rate used to measure the total pension liability for PERF C was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Subsequent Events

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

11) EMPLOYEES' RETIREMENT PLAN (continued)

Net Pension Liability (continued)

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

Pension Plan Fiduciary Net Position

Information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS' audited financial statements, which are publicly available reports that can be obtained at CalPERS' website, at www.calpers.ca.gov. The plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

Proportionate Share of Net Pension Liability

The following table shows the Authority's proportionate share of the Plan's net pension liability over the measurement period.

	Increase (Decrease)		
	Proportionate Share of Total Pension Liability	Proportionate Share of Plan Fiduciary Net Position	Proportionate Share of Plan Net Pension Liability
Balance at: 6/30/2020 (VD)	\$ 9,401,565	\$ 7,298,252	\$ 2,103,313
Balance at: 6/30/2021 (MD)	10,050,177	9,031,090	1,019,087
Net Changes during 2020-21	<u>\$ 648,612</u>	<u>\$ 1,732,838</u>	<u>\$ (1,084,226)</u>

Valuation Date (VD), Measurement Date (MD).

The Authority's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website, at www.calpers.ca.gov.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

11) EMPLOYEES' RETIREMENT PLAN (continued)

Proportionate Share of Net Pension Liability (continued)

The Authority's proportionate share of the miscellaneous plan net pension liability for the miscellaneous Plan as of the June 30, 2020 and 2021 measurement dates was as follows:

Proportion - June 30, 2021	0.04986%
Proportion - June 30, 2022	0.05367%
Change - increase (decrease)	0.00381%

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net pension liability of the Miscellaneous Plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Net Pension Liability	\$ 2,346,021	\$ 1,019,087	\$ (77,870)

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net difference between 5-year straight-line amortization
 projected and actual earnings
 on pension plan investments

All other amounts Straight-line amortization over the expected average
 remaining service lives (EARSL) of all members that
 are provided with benefits (active, inactive and
 retired) as of the beginning of the measurement
 period

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

11) EMPLOYEES' RETIREMENT PLAN (continued)

Proportionate Share of Net Pension Liability (continued)

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the Public Agency Cost-Sharing Multiple-Employer Plan (PERF C).

The EARSL for PERF C for the measurement period ending June 30, 2021 is 3.7 years, which was obtained by dividing the total service years of 561,622 (the sum of remaining service lifetimes of the active employees) by 150,648 (the total number of participants: active, inactive, and retired) in PERF C. Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

As of the start of the measurement period (July 1, 2020), the Authority's net pension liability was \$2,103,313. For the measurement period ending June 30, 2021 (the measurement date), the Authority incurred a pension expense of \$194,482.

As of June 30, 2022 the Authority has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ -
Differences between expected and actual experience	114,280	-
Differences between projected and actual investment earnings	-	889,609
Differences between employer's contributions and proportionate share of contributions	-	74,769
Change in employer's proportion	112,133	-
Pension contributions made subsequent to the measurement date	306,243	-
	<u>532,656</u>	<u>964,378</u>
Total	<u>\$ 532,656</u>	<u>\$ 964,378</u>

These amounts above are net of outflows and inflows recognized in the 2020-21 measurement period expense. Contributions subsequent to the measurement date of \$306,243 reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the upcoming fiscal year.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

11) EMPLOYEES' RETIREMENT PLAN (continued)

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (continued)

Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Fiscal Year Ended June 30,	Deferred Outflows/ (Inflows) of Resources
2023	\$ (125,074)
2024	(169,213)
2025	(197,836)
2026	(245,842)
2025	-
Thereafter	-

Payable to the Pension Plan

At June 30, 2022, the Authority reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year then ended.

12) DEFERRED COMPENSATION PLAN

On August 20, 1996, the provisions of Internal Revenue Code (IRC) Section 457 were amended to require new plans to place all assets and income of the Plan in trust for the exclusive benefit of participants and their beneficiaries. Plans in existence as of the date of this change must place the Plan assets and income in trust by January 1, 1999. Once the assets and income are placed in trust the Authority no longer owns the amounts deferred by employees and related income. Prior to this IRC Section 457 Amendment, the deferred amounts and related income remained as property of the Authority until withdrawn by the employee.

During the 1997-98 fiscal years, March Joint Powers Authority created its Deferred Compensation Plan with assets and related income in trust as allowed by IRC Section 457 and as a result the asset and corresponding liability are not presented in these financial statements.

13) OTHER POST EMPLOYMENT BENEFITS

Plan Description

The Authority’s defined benefit postemployment healthcare plan, (JPA Retiree Healthcare Plan “JRHP”), provides medical benefits to eligible retired employees and qualified dependents. JRHP is part of the Public Agency portion of the California Employers’ Retiree Benefit Trust Fund (CERBT), an agent multiple-employer plan administered by California Public Employees’ Retirement System (CalPERS), which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions as well as other requirements is established by State statute within the Public Employees’ Retirement Law. JRHP selects optional benefit provisions from the benefit menu by contract with CalPERS. CalPERS issues an Annual Comprehensive Financial Report (ACFR). The ACFR is issued in aggregate and includes the sum of all CalPERS plans. Copies of the CalPERS ACFR may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

Employees Covered

As of June 30, 2021 actuarial valuation, the following current and former employees were covered by the benefit terms under the plan:

Active employees	14
Inactive employees or beneficiaries currently receiving benefits	3
Inactive employees entitled to, but not yet receiving benefits	<u>0</u>
 Total	 <u><u>17</u></u>

Contributions

The contribution requirements of plan members and the Authority are established and may be amended by the Joint Powers Commission. The Authority contributes the CalPERS minimum monthly contribution for the retiree or surviving dependent.

The annual contribution is based on the actuarially determined contribution. For the fiscal year ended June 30, 2022, the Authority’s estimated implied subsidy was \$33,187.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

13) OTHER POST EMPLOYMENT BENEFITS (continued)

Net OPEB Liability (Asset)

The Authority's net OPEB liability (asset) was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation dated June 30, 2021 based on the following actuarial methods and assumptions:

Actuarial Assumptions:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age
Discount Rate	6.75%
Investment Rate of Return	6.75%
Inflation	2.50% per year
Salary Increases	2.75% per year
Medical Trend	4%
Mortality Rate ⁽¹⁾	2017 CalPERS Active Mortality for Miscellaneous and School Employees
Retirement Rates ⁽²⁾	Hired 2013 and later: 2017 CalPERS 2.0%@62 Rates for Miscellaneous Employees Hired 2012 and earlier: 2017 CalPERS 2.7%@55 Rates for Miscellaneous Employees

⁽¹⁾ The mortality assumptions are based on the 2017 CalPERS Retiree Mortality for Miscellaneous and School Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

⁽²⁾ The retirement rates information was developed based on 2017 CalPERS's specific data for each category.

The long-term expected rate of return on OPEB plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset are summarized in the following table:

Asset Class	Target Allocation	Real Return Years 1-10 ¹	Real Return Years 11+ ¹
All Equities	59%	4.80%	5.98%
All Fixed Income	25%	1.10%	2.62%
Real Estate (REITs)	8%	3.20%	5.00%
Treasury Inflation Protected Securities (TIPS)	5%	0.25%	1.46%
All Commodities	3%	1.50%	2.87%

¹ An expected inflation of 2.0% used for this period

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

13) OTHER POST EMPLOYMENT BENEFITS (continued)

Discount Rate

The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that Authority contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the OPEB Liability (Asset)

The changes in the net OPEB liability (asset) for the Plan are as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2021 (Measurement Date June 30, 2020)	\$ 504,131	\$ 289,598	\$ 214,533
Changes recognized for the measurement period:			
Service Cost	21,619	-	21,619
Interest on the Total OPEB Liability	36,046	-	36,046
Employer Contributions	-	41,283	(41,283)
Changes in assumptions	16,952	-	16,952
Expected Investment Income	-	20,267	(20,267)
Investment Gains/Losses	-	59,354	(59,354)
Administrative expense	-	(110)	110
Benefit Payments	(41,283)	(41,283)	-
Experience Gains/Losses	(153,061)	-	(153,061)
Expected Minus Actual Benefit Payments	2,149	-	2,149
Net Changes	(117,578)	79,511	(197,089)
Balance at June 30, 2022 (Measurement Date June 30, 2021)	\$ 386,553	\$ 369,109	\$ 17,444

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the net OPEB liability (asset) of the Authority if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net OPEB Liability	\$ 61,867	\$ 17,444	\$ (19,677)

13) OTHER POST EMPLOYMENT BENEFITS (continued)

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability (asset) of the Authority if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2021:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Net OPEB Liability	\$ (28,969)	\$ 17,444	\$ 74,384

OPEB Plan Fiduciary Net Position

CERBT issues a publicly available financial report that may be obtained from the California Public Employees Retirement System Executive Office, 400 P Street, Sacramento, California 95814.

Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

The recognition period differs depending on the source of the gain or loss.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2022, the Authority recognized OPEB expense of \$36,866. As of June 30, 2022, the Authority reported deferred outflows of resources related to OPEB from the following services:

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

13) OTHER POST EMPLOYMENT BENEFITS (continued)

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 27,388	\$ -
Changes of assumptions	220,645	-
Differences between expected and actual experience	2,010	137,433
Net difference between projected and actual earnings on OPEB plan investments	6,810	47,634
Total	<u>\$ 256,853</u>	<u>\$ 185,067</u>

The \$27,388 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2021 measurement date will be recognized as a reduction of the net OPEB liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as follows:

Fiscal Year Ended June 30:	Deferred Outflows/(Inflows) of Resources
2023	\$ (650)
2024	(500)
2025	(996)
2026	(2,934)
2027	8,936
Thereafter:	40,542

Changes in Assumptions

The interest assumption changed from 7.00% to 6.75%. Assumed rates of retirement, termination, and mortality have been updated to align with those currently being used by the statewide pension systems

14) COMMITMENTS AND CONTINGENCIES

The Authority is involved with various potential litigation matters. In the opinion of management and legal counsel, the disposition of all litigation pending will not have a material effect on the financial condition of the Authority.

14) COMMITMENTS AND CONTINGENCIES (continued)

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Authority expects such amounts, if any, to be immaterial.

The Authority and the former March Joint Powers Redevelopment Agency have entered into developer agreements to attract new business to the areas formerly known as March Air Force Base. The following represents the Authority's significant commitments with certain developers.

LNR Riverside, LLC

On December 28, 2001, the West March Disposition and Development Agreement was entered into between the March Joint Powers Redevelopment Agency, LNR Riverside, LLC and the March Joint Powers Authority. The agreement is to develop 1,290 acres of property as West March Business Park. In consideration for the Agency transferring the property to LNR, in accordance with the agreement, LNR agrees to incur substantial costs in developing the property, including but not limited to installation of public infrastructure to service the property. The expected cost of such infrastructure will exceed \$100 million during the term of the agreement. The Agency will benefit from LNR's development of the property, as a result of sales and other tax revenues generated by the property and project and the jobs created by the project. No provision has been made for this commitment on the combined financial statements, as the project is not complete.

March Healthcare Development, LLC

On April 7, 2010, the March Lifecare Campus Disposition and Development Agreement was entered into between the March Joint Powers Redevelopment Agency and March Healthcare Development, LLC (MHD). In consideration for the Agency transferring the property to MHD, MHD will pay fair market value for the property as defined in the Disposition and Development Agreement. The Agency will benefit from March Healthcare's development of the property, as a result of sales and other tax revenues generated by the property and project and the jobs the project will create. The Agency will reimburse the Developer for the cost of certain Horizontal Improvements pursuant to the Agency Note in the principal amount of Twenty Million, Five Hundred Thousand Dollars (\$20,500,000), together with interest thereon at six percent (6%) per annum, payable from 80% of Net Property Tax Increment generated solely by the March LifeCare Campus project. Currently, no provision has been made for this commitment on the financial statements, as the project is not complete.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

15) SUCCESSOR AGENCY OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of March Joint Powers Authority that previously had reported a redevelopment agency within the reporting entity of the Authority as a blended component unit. The Bill provides that upon dissolution of a redevelopment agency, either the Authority or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On January 18, 2012, the Joint Powers Commission elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of Authority Resolution Number JPA 12-04. In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments). In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

Successor Agency Long-term Obligations

The following is a summary of the changes in the Successor Agency long-term obligations for the year:

Description	Beginning Balance	Obligations Incurred	Obligations Satisfied	Ending Balance	Due within 1 year
Loans payable	\$ 1,061,802	\$ -	\$ (93,291)	\$ 968,511	\$ 541,820
2016 Series A Tax Allocation Bond Refunding Bond	29,500,000	-	(920,000)	28,580,000	955,000
Bond premiums (2016A Tax Allocation Refunding Bond)	3,494,495	-	(174,000)	3,320,495	-
Total Long-term Obligations	\$ 34,056,297	\$ -	\$ (1,187,291)	\$ 32,869,006	\$ 1,496,820

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

15) SUCCESSOR AGENCY OF FORMER REDEVELOPMENT AGENCY (continued)

Loans Payable

The aforementioned loans were made by the March Joint Powers Authority (the "Authority") to provide operating funds to the former March Joint Powers Redevelopment Agency. The loans will be repaid from tax increment at such time as excess funds exist. Interest expense incurred during the fiscal year ended June 30, 2022 is \$37,714. The balance outstanding as of June 30, 2022 for all loans is \$968,512.

<u>Date</u>	<u>Interest Rate</u>	<u>Amount of Issue</u>	<u>Outstanding at End of Year</u>
June 20, 2007	5%	\$ 700,000	\$ 149,555
June 18, 2008	5%	850,000	382,688
June 17, 2009*	5%	600,000	183,900
March 17, 2010	5%	500,000	46,318
February 17, 2011	5%	700,000	206,050
Total		<u>\$ 3,350,000</u>	<u>\$ 968,511</u>

*This note payable was approved in 2009 for the 2010 fiscal year.

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 541,820	\$ 43,840	\$ 585,660
2024	125,878	19,224	145,102
2025	86,021	13,978	99,999
2026	90,376	9,624	100,000
2027	94,951	5,049	100,000
2028	29,465	736	30,201
Total	<u>\$ 968,511</u>	<u>\$ 92,451</u>	<u>\$ 1,060,962</u>

2016 Tax Allocation Refunding Bonds - Series A, Direct Borrowing

On September 28, 2016, the Successor Agency to the March Joint Powers Redevelopment Agency issued \$33,095,000 2016 Tax Allocation Refunding Bonds, Series A. The proceeds of these bonds will be used to refinance certain outstanding obligations of the Successor Agency. Interest on the bond is payable August 1st and February 1st of each year. Interest on the bond accrues at rates varying from 1.5% to 5% per annum. Principal on the serial bonds is payable in annual installments ranging from \$840,000 to \$2,030,000, commencing August 1, 2018 through August 1, 2041. The reserve requirement is covered by a bond insurance policy. Interest paid during the fiscal year ended June 30, 2022 was \$1,155,010.

MARCH JOINT POWERS AUTHORITY
Notes to Financial Statements
Year Ended June 30, 2022

15) SUCCESSOR AGENCY OF FORMER REDEVELOPMENT AGENCY (continued)

2016 Tax Allocation Refunding Bonds - Series A, Direct Borrowing (continued)

Under the bond indenture, the principal due on the bonds is subject to an acceleration upon the occurrence of an event of default. If an event of default occurs, bond owners will be limited to enforcing the obligation of the Successor Agency to repay the bonds on an annual basis to the extent of the tax revenues. No real or personal property in the project area is pledged to secure the bonds and it is not anticipated that the Successor Agency will have available moneys sufficient to redeem all of the bonds upon the occurrence of an event of default.

Future debt service requirements are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 955,000	\$ 1,132,844	\$ 2,087,844
2024	995,000	1,093,844	2,088,844
2025	1,030,000	1,053,344	2,083,344
2026	1,075,000	1,011,244	2,086,244
2027	1,125,000	967,244	2,092,244
2028-2032	6,290,000	4,122,216	10,412,216
2033-2037	7,720,000	2,674,000	10,394,000
2038-2042	9,390,000	968,800	10,358,800
Total	<u>\$ 28,580,000</u>	<u>\$ 13,023,534</u>	<u>\$ 41,603,534</u>

Contingencies

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the Authority are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The Authority's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date, by an appropriate judicial authority that would resolve this issue unfavorably to the Authority.

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REQUIRED SUPPLEMENTARY INFORMATION

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MARCH JOINT POWERS AUTHORITY
Schedule of Proportionate Share of the Net Pension Liability and Related Ratios
as of the Measurement Date
Last Ten Years*

Measurement Date	Proportion of the Net Pension Liability ¹	Proportionate Share of the Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2014	0.014720%	\$ 915,852	\$ 1,285,648	71.24%	80.60%
6/30/2015	0.016049%	1,101,618	1,356,768	81.19%	79.18%
6/30/2016	0.016199%	1,401,724	1,409,298	99.46%	76.98%
6/30/2017	0.016917%	1,677,703	1,338,176	125.37%	77.93%
6/30/2018	0.016719%	1,611,042	1,394,381	115.54%	80.18%
6/30/2019	0.018789%	1,925,299	1,335,661	144.15%	77.44%
6/30/2020	0.019331%	2,103,313	1,485,395	141.60%	77.63%
6/30/2021	1.018400%	1,019,087	1,459,946	69.80%	89.86%

¹ Proportion of the net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding the 1959 Survivors Risk Pool.

* Measurement date 6/30/2014 (fiscal year 2015) was the first year of implementation. Additional years will be presented as information becomes available.

MARCH JOINT POWERS AUTHORITY
Schedule of Pension Plan Contributions
Last Ten Years*

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/2015	\$ 246,125	\$ (246,125)	\$ -	\$ 1,356,768	18.14%
6/30/2016	221,020	(221,020)	-	1,409,298	15.68%
6/30/2017	215,802	(215,802)	-	1,338,176	16.13%
6/30/2018	225,561	(225,561)	-	1,394,381	16.18%
6/30/2019	240,596	(240,596)	-	1,335,661	18.01%
6/30/2020	286,390	(286,390)	-	1,485,395	19.28%
6/30/2021	288,096	(288,096)	-	1,459,946	19.73%
6/30/2022	306,243	(306,243)	-	1,465,266	20.90%

* Measurement date 6/30/2014 (fiscal year 2015) was the first year of implementation. Additional years will be presented as information becomes available.

Notes to Schedule:

Changes in Benefit Terms: There were no changes to benefit terms that applied to all members of the Public Agency Pool. Additionally, the figures above do not include any liability impact that may have resulted from Golden Handshakes that occurred after the June 30, 2020 valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

Changes in Assumptions: There were no assumption changes for 2021. For 2020, the Plan adopted a new amortization policy effective with the 2019 actuarial valuation. The new amortization policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed as a level dollar amount. In addition, the new policy does not utilize a five-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy also does not utilize a five-year ramp-down on investment gains/losses. These changes apply only to new UAL bases established on or after June 30, 2019. There were no changes in assumptions in 2019. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate in 2019. In 2017, the accounting discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes in the discount rate. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

MARCH JOINT POWERS AUTHORITY
Schedule of Changes in the Net OPEB Liability and Related Ratios
Last Ten Years*

Measurement Period	2017	2018	2019	2020	2021
Total OPEB Liability					
Service cost	\$ 8,144	\$ 8,368	\$ 8,598	\$ 21,040	\$ 21,619
Interest on the Total OPEB Liability	11,209	12,337	13,531	33,447	36,046
Changes in assumptions	-	-	273,148	-	16,952
Benefit payments	(3,389)	(3,525)	(4,028)	(32,986)	(41,283)
Experience gains/losses	-	-	2,676	(2,303)	(150,912)
Net change in Total OPEB Liability	15,964	17,180	293,925	19,198	(117,578)
Total OPEB Liability, beginning	157,864	173,828	191,008	484,933	504,131
Total OPEB Liability, ending (a)	173,828	191,008	484,933	504,131	386,553
Plan Fiduciary Net Position					
Employer contributions	30,189	37,525	34,028	32,986	41,283
Net investment income	15,722	14,211	17,491	19,584	20,267
Investment gains/losses	-	759	(2,484)	(9,695)	59,354
Benefit payments	(3,389)	(3,525)	(4,028)	(32,986)	(41,283)
Administrative expense	(131)	(348)	(51)	(137)	(110)
Other	-	75	-	-	-
Net change in Plan Fiduciary Net Position	42,391	48,697	44,956	9,752	79,511
Plan Fiduciary Net Position, beginning	143,802	186,193	234,890	279,846	289,598
Plan Fiduciary Net Position, ending (b)	186,193	234,890	279,846	289,598	369,109
Net OPEB Liability/(Asset), ending (a) - (b)	\$ (12,365)	\$ (43,882)	\$ 205,087	\$ 214,533	\$ 17,444
Plan fiduciary net position as a percentage of the total OPEB liability	107.11%	122.97%	57.71%	57.44%	95.49%
Covered-employee payroll ¹	\$ 1,380,853	\$ 1,567,809	\$ 1,320,141	\$ 1,452,353	\$ 1,628,605
Net OPEB liability as a percentage of covered-employee ¹ payroll	-0.90%	-2.80%	15.54%	14.77%	1.07%

¹Contributions are fixed and not based on a measure of pay.

* Measurement date 6/30/2017 (fiscal year 2018) was the first year of implementation. Additional years will be presented as information becomes available.

MARCH JOINT POWERS AUTHORITY
Schedule of OPEB Plan Contributions
Last Ten Years*

Fiscal Year Ended June 30	2018	2019	2020	2021	2022
Statutorily required contributions	\$ 7,187	\$ 4,028	\$ 4,896	\$ 3,432	\$ 1,788
Contributions in relation to the statutorily required contributions	(37,539)	(34,028)	(39,134)	(3,432)	(1,788)
Contribution deficiency/(excess)	\$ (30,352)	\$ (30,000)	\$ (34,238)	\$ -	\$ -
Covered-employee payroll ¹	\$ 1,567,809	\$ 1,320,141	\$ 1,452,353	\$ 1,628,605	\$ 1,699,022
Contribution as a percentage of covered-employee ¹ payroll	2.39%	2.58%	2.69%	0.21%	0.11%

* Measurement date 6/30/2017 (fiscal year 2018) was the first year of implementation. Additional years will be presented as information becomes available.

Notes to Schedule:

¹Contributions are fixed and not based on a measure of pay.

Methods and assumptions used to determine contributions:

Actuarial cost method	Entry age
Discount rate	6.75%
Investment rate of return	6.75%
General inflation	2.50%
Medical trend	4%
Mortality	2017 CalPERS Retiree Mortality for miscellaneous and school employees

MARCH JOINT POWERS AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual – General Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance
	Original	Final		Favorable (Unfavorable)
REVENUES				
Taxes	\$ 600,000	\$ 600,000	\$ 600,000	\$ -
Licenses, permits and fees	2,400,500	2,400,500	2,395,538	(4,962)
Investment earnings	300,000	300,000	35,993	(264,007)
Lease revenue	400,000	400,000	260,758	(139,242)
Other revenue	2,299,000	2,299,000	576,388	(1,722,612)
Total revenues	5,999,500	5,999,500	3,868,677	(2,130,823)
EXPENDITURES				
Current:				
Administration	341,600	341,600	406,197	(64,597)
Salaries and benefits	1,251,500	1,251,500	1,276,464	(24,964)
Police patrols/security	215,000	215,000	216,495	(1,495)
Contractual/professional services	442,250	442,250	419,862	22,388
Legal	190,000	190,000	205,762	(15,762)
Planning	1,272,500	1,272,500	1,563,333	(290,833)
Maintenance and lease services	130,700	130,700	108,445	22,255
Buildings and grounds maintenance	129,000	129,000	60,490	68,510
Total expenditures	3,972,550	3,972,550	4,257,048	(284,498)
Excess of revenues over expenditures	2,026,950	2,026,950	(388,371)	(2,415,321)
Net change in fund balance	\$ 2,026,950	\$ 2,026,950	(388,371)	\$ (2,415,321)
Fund balance, beginning			31,569,087	
Fund balance, ending			\$ 31,180,716	

MARCH JOINT POWERS AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual – Special Revenue – Meridian LLMD No. 1
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
REVENUES				
Special assessments	<u>\$ 1,749,810</u>	<u>\$ 1,749,810</u>	<u>\$ 2,010,135</u>	<u>\$ 260,325</u>
Total revenues	<u>1,749,810</u>	<u>1,749,810</u>	<u>2,010,135</u>	<u>260,325</u>
EXPENDITURES				
Current:				
Administration	68,766	68,766	46,563	22,203
Salaries and benefits	175,780	175,780	97,660	78,120
Contractual/professional services	1,240,413	1,240,413	929,927	310,486
Project improvement costs	<u>41,371</u>	<u>41,371</u>	<u>23,358</u>	<u>18,013</u>
Total expenditures	<u>1,526,330</u>	<u>1,526,330</u>	<u>1,097,508</u>	<u>428,822</u>
Excess of revenues over expenditures	<u>\$ 223,480</u>	<u>\$ 223,480</u>	912,627	<u>\$ 689,147</u>
Fund balance, beginning			<u>1,636,522</u>	
Fund balance, ending			<u>\$ 2,549,149</u>	

MARCH JOINT POWERS AUTHORITY
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual – Special Revenue – March Lifecare Campus CFD 2013-1
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
REVENUES				
Special assessments	\$ 74,061	\$ 74,061	\$ 52,684	\$ (21,377)
Total Revenues	74,061	74,061	52,684	(21,377)
EXPENDITURES				
Current:				
Contractual/professional services	59,345	59,345	7,149	52,196
Total Expenditures	59,345	59,345	7,149	52,196
Excess of revenues over expenditures	\$ 14,716	\$ 14,716	45,535	\$ 30,819
Fund balance, beginning			145,890	
Fund balance, ending			\$ 191,425	

MARCH JOINT POWERS AUTHORITY
Notes to Required Supplementary Information
June 30, 2022

1. BUDGETARY DATA

The Authority uses the following procedures in establishing the budgetary data reflected in the financial statements:

1. The budget is prepared on a triennial basis, every three years.
2. Before the beginning of each triennial budget cycle, the Executive Director submits to the Finance Committee a proposed budget for the year commencing the following July 1 and the next two fiscal years.
3. The committee reviews the proposed budget and approves submittal to the Commission.
4. The budget is subsequently adopted through passage of a resolution by the Commission.
5. All appropriated amounts are as originally adopted or as amended by the Commissioners and lapse at each fiscal year-end.
6. Original appropriations are modified by supplementary appropriations and transfers among budget categories. The Commission approves all significant changes.
7. Formal budgetary integration is employed as a management control device during the year for the General and Special Revenue Funds.
8. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
9. Budget information is presented for the General and Special Revenue Fund Types.

Expenditures for the year ended June 30, 2022, that exceeded the appropriations of the major funds are as follows:

Fund	Expenditures	Appropriations	Excess
General Fund:			
Administration	\$ 406,197	\$ 341,600	\$ (64,597)
Salaries and benefits	1,276,464	1,251,500	(24,964)
Police patrols/security	216,495	215,000	(1,495)
Legal	205,762	190,000	(15,762)
Planning	1,563,333	1,272,500	(290,833)

MARCH INLAND PORT AIRPORT AUTHORITY

ANNUAL AUDIT REPORT

Year Ended June 30, 2022

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report	1
Basic Financial Statements:	
Statement of Net Position	4
Statement of Revenues, Expenses, and Changes in Net Position	5
Statement of Cash Flows	6
Notes to Financial Statements	7



Independent Auditor's Report

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To the Board of Commissioners
March Inland Port Airport Authority
Riverside, California

Report on the Audit of the Financial Statements

PARTNERS

Terry P. Shea, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradferd A. Walebir, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST
Gardenya Duran, CPA, CGMA
Brianna Schultz, CPA, CGMA
Brenda L. Odle, CPA, MST (Partner Emeritus)

Opinion

We have audited the financial statements of the March Inland Port Airport Authority (the Airport), a component unit of the March Joint Powers Authority (the Authority), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise of the Authority's basic financial statements as listed in the table of contents.

MANAGERS / STAFF

Seong-Hyea Lee, CPA, MBA
Evelyn Morentini-Barcena, CPA
Veronica Hernandez, CPA
Laura Arvizu, CPA
Xinlu Zoe Zhang, CPA, MSA
John Maldonado, CPA, MSA
Julia Rodriguez Fuentes, CPA, MSA
Demi Hite, CPA
Jeffrey McKennan, CPA

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the Airport, as of June 30, 2022, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

MEMBERS

American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

California Society of
Certified Public Accountants

Emphasis of Matter

As discussed in Note 1, the financial statements of the Airport are intended to present the financial position, the changes in financial position and, where applicable, cash flows of only that portion of the business-type activities and the proprietary fund types of the Authority that are attributable to the transactions of the Airport. They do not purport, and do not present fairly the financial position of the Authority as of June 30, 2022, the changes in its financial position, or its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.



As discussed in Note 1 to the financial statements, the Authority has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022. Our opinion is not modified with respect to this matter

Responsibilities of Management for the Financial Statements

The Airport's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Airport's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Airport's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Airport's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Management has omitted *Management’s Discussion and Analysis* for the Airport that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 10, 2023, on our consideration of the Authority’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority’s internal control over financial reporting and compliance.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
May 10, 2023

MARCH INLAND PORT AIRPORT AUTHORITY

Statement of Net Position June 30, 2022

ASSETS

Current assets:	
Cash and cash equivalents	\$ 7,448,372
Receivable, net:	
Accounts	136,430
Grants	148,506
Leases	<u>215,371</u>
Total current assets	<u>7,948,679</u>
Noncurrent assets:	
Leases receivable	5,398,228
Capital assets, not being depreciated	36,221,477
Capital assets, net of depreciation	<u>22,412,566</u>
Total noncurrent assets	<u>64,032,271</u>
Total assets	<u>71,980,950</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension related items	122,511
OPEB related items	<u>59,076</u>
Total deferred outflows of resources	<u>181,587</u>

LIABILITIES

Current liabilities:	
Accounts payable and accrued liabilities	212,076
Interest payable	1,567,867
Compensated absences - current portion	<u>32,945</u>
Total current liabilities	<u>1,812,888</u>
Noncurrent liabilities:	
Compensated absences	98,833
Unavailable revenues	1,450
Net pension liability	234,390
Net OPEB liability	4,012
Advances from March Joint Powers Authority	<u>2,687,896</u>
Total noncurrent liabilities	<u>3,026,581</u>
Total liabilities	<u>4,839,469</u>

DEFERRED INFLOWS OF RESOURCES

Leases receivable related items	5,613,599
Pension related items	221,807
OPEB related items	<u>42,565</u>
Total deferred inflows of resources	<u>5,877,971</u>

NET POSITION

Net investment in capital assets	58,634,043
Unrestricted	<u>2,811,054</u>
Total net position	<u>\$ 61,445,097</u>

The accompanying notes are an integral part of this statement.

MARCH INLAND PORT AIRPORT AUTHORITY

Statement of Revenues, Expenses and Changes in Net Position Year Ended June 30, 2022

OPERATING REVENUES	
Charges for services	\$ 1,240,837
Lease income	239,031
Permit fees	2,000
Other	55
	<hr/>
Total operating revenues	1,481,923
	<hr/>
OPERATING EXPENSES	
Administrative	256,019
Professional services	50,168
Salaries and employee benefits	636,335
Repairs and maintenance	92,373
Project improvement costs	337,901
Depreciation	778,698
Services and environmental fees	15,046
	<hr/>
Total operating expenses	2,166,540
	<hr/>
Operating income (loss)	(684,617)
NONOPERATING REVENUES (EXPENSES)	
Gain on sale of capital asset	2,000,000
Investment earnings	111,092
Interest expense	(104,500)
	<hr/>
Total nonoperating revenues (expenses)	2,006,592
	<hr/>
Income (loss) before capital contributions	1,321,975
CAPITAL CONTRIBUTIONS	512,271
	<hr/>
Change in net position	1,834,246
Net position, beginning	59,610,851
	<hr/>
Net position, ending	\$ 61,445,097
	<hr/>

The accompanying notes are an integral part of this statement.

MARCH INLAND PORT AIRPORT AUTHORITY

Statement of Cash Flows Year Ended June 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 1,372,019
Cash payments for employee services (salaries)	(629,599)
Cash payments to suppliers for goods and services	<u>(597,458)</u>
Net cash provided by (used for) operating activities	<u>144,962</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from sale of capital assets	4,000,000
Capital contributions	<u>363,765</u>
Net cash provided by (used for) capital and related financing activities	<u>4,363,765</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earnings	<u>111,092</u>
Net cash provided by (used for) investing activities	<u>111,092</u>
Net increase in cash and cash equivalents	4,619,819
Cash and cash equivalents, beginning of year	<u>2,828,553</u>
Cash and cash equivalents, end of year	<u><u>\$ 7,448,372</u></u>
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating loss	\$ (684,617)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities	
Depreciation	778,698
(Increase) decrease in accounts receivable, net	(111,354)
(Increase) decrease in pension/OPEB related deferred outflows	21,694
(Increase) decrease in compensated absences	47,569
Increase (decrease) in accounts payable and accrued liabilities	136,745
Increase (decrease) in unavailable revenues	1,450
Increase (decrease) in net pension liability	(249,372)
Increase (decrease) in net OPEB liability	(45,331)
Increase (decrease) in pension/OPEB related deferred inflows	<u>249,480</u>
Total cash provided by (used for) operating activities	<u><u>\$ 144,962</u></u>

The accompanying notes are an integral part of this statement.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Reporting Entity

The March Inland Port Airport Authority (the Airport) was formed on June 18, 1997 under a joint exercise of powers agreement between the cities of Perris, Moreno Valley, Riverside, and the County of Riverside for the purpose of formulating and implementing plans for the use and reuse of the property formerly known as March Air Force Base.

The Airport's office and records are located at 14205 Meridian Parkway, Suite 140, Riverside, California 92518.

The Airport Commissioners are as follows:

<u>Name</u>	<u>Title</u>	<u>Representing</u>
Jeff Hewitt	Chairman	County of Riverside
Chuck Conder	Vice Chair	City of Riverside
Rita Rogers	Commissioner	City of Perris
Kevin Jeffries	Commissioner	County of Riverside
Jim Perry	Commissioner	City of Riverside
Michael Vargas	Commissioner	City of Perris
Edward Delgado	Commissioner	City of Moreno Valley
Dr. Yxstian Gutierrez	Commissioner	City of Moreno Valley

The Joint Powers Commission meets on the second and fourth Wednesday of each month.

B) Measurement Focus, Basis of Accounting and Financial Statement Presentation

The Airport's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America as they are applicable to governmental units. The Government Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The Airport reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the Airport is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges and space rentals. The Airport financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized in the accounting period in which are earned and expenses are recognized in the period incurred regardless of the timing of related cash flows.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B) Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

Proprietary funds, distinguishes operating revenues and expenses from those revenues and expenses that are nonoperating. Operating revenues are those revenues that are generated by airport services, rents and leases while operating expenses pertain directly to the furnishing of those services. Non-operating revenues and expenses are those revenues and expenses generated that are not directly associated with the normal business of airport services, rents, and leases.

When both restricted and unrestricted resources are available for use, it is the Airport's policy to use restricted first.

C) Cash and Cash Equivalents

In accordance with generally accepted accounting principles, for purposes of the Statement of Cash Flows, all cash and investments with original maturities of 90 days or less are considered cash or cash equivalents.

D) Investments

As a governmental entity other than an external investment pool in accordance with generally accepted accounting principles, the Airport's investments are stated at fair value except for interest-earning investment contracts. As of June 30, 2022, the Airport held no investments therefore, no adjustment is reflected in these financial statements.

E) Uncollectible Accounts Receivable

The Airport uses the allowance method for uncollectible accounts receivable. Currently, the Airport believes all receivables are collectible based on prior experience. Therefore, there is no current allowance recorded.

F) Capital Assets

Capital assets, which include land, buildings, building improvements, machinery, vehicles, and infrastructure assets, are reported in the statement of net position. Capital assets are recorded at cost where historical records are available and at an estimated historical cost where no historical records exist. The cost of normal maintenance and repairs that do not add to the value of the asset's lives are not capitalized.

Major capital outlay for capital assets and improvements are capitalized as projects are constructed. For debt-financed capital assets, interest incurred during the construction phase is reflected in the capitalization value of the asset constructed, net of interest earned on the invested proceeds over the same period. Capital assets acquired through lease obligations are valued at the present value of future lease payments at the date acquired.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F) Capital Assets (continued)

Donated capital assets are valued at their estimated acquisition value at the date of donation.

Capital assets with an initial cost of \$5,000 or more, used in operations, are depreciated over their estimated useful lives using the straight-line method. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the statement of net position. The range of lives used for depreciation purposes for each capital asset class is as follows:

Building and improvements	7 - 50 Years
Vehicles	5 Years
Office equipment and furniture	5 Years
Infrastructure	30 - 100 Years

G) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Airport has deferred outflows related to pensions, OPEB, and leases. This includes pension and OPEB contributions subsequent to the measurement date of the net pension liability and other amounts (see Notes 4, 6, and 7), which are amortized by an actuarial determined period.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Airport has deferred inflows related to pensions, OPEB, and leases. These amounts (see Notes 4, 6, and 7) are amortized by an actuarial determined period.

H) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses/expenditures, as appropriate, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I) Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Airport's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. The Airport's net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, represents the Airport's proportionate share of the March Joint Powers Airport's related amounts. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 1899
Measurement Date	June 30, 1899
Measurement Period	July 1, 1899 to June 30, 2022

J) Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Airport's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are reported at fair value. The Airport's net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, represents the Airport's proportionate share of the March Joint Powers Airport's related amounts. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date	June 30, 1899
Measurement Date	June 30, 1899
Measurement Period	July 1, 1899 to June 30, 2022

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K) Net Position

Generally accepted accounting principles requires that the difference between assets, liabilities and deferred outflows/inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted.

Net position classified as net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding principal of related debt. Restricted net position is the net position that has external constraints placed on them by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions, or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

L) Relationship to the March Joint Powers Authority

The Airport is an integral part of the reporting entity of the March Joint Powers Authority (herein referred to as the Authority). The funds of the Airport have been blended within the financial statements of the March Joint Powers Authority because the Board of Commissioners is the governing board of the Airport and exercises control over the operations of the Airport. Only the funds of the Airport are included herein, therefore, these financial statements do not purport to represent the financial position or results of operations of the March Joint Powers Authority.

M) Compensated Absences

In accordance with generally accepted accounting principles, a liability is recorded for unused vacation and similar compensatory leave balances since the employees' entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payment upon termination or retirement. All leave benefits are accrued when incurred. The balance as of June 30, 2022 was \$131,778.

	<u>Beginning balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending balance</u>	<u>Due within one year</u>
Compensated absences	<u>\$ 84,209</u>	<u>\$181,101</u>	<u>\$(133,532)</u>	<u>\$131,778</u>	<u>\$ 32,945</u>

MARCH INLAND PORT AIRPORT AUTHORITY

**Notes to Financial Statements
Year Ended June 30, 2022**

**NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(continued)**

N) New Accounting Pronouncement

GASB Statement No. 87 – As of July 1, 2021, the Authority adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The standard requires recognition of certain right to use leased assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The standard also requires lessors to recognize a lease receivable and deferred inflow of resources. As a result of implementing this standard, the Authority recognized a lease receivable and deferred inflow of resources in the amount of \$5,613,599 and \$5,613,599 as of July 1, 2021. As a result of these adjustments there was no effect on beginning net position or fund balance. The additional disclosures required by this standard are included in Note 4.

NOTE 2: CASH AND INVESTMENTS

Cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and cash equivalents	<u>\$ 7,448,372</u>

Cash and investments consist of the following:

Deposits with financial institutions	<u>\$ 7,448,372</u>
--------------------------------------	---------------------

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 2: CASH AND INVESTMENTS (continued)

Investments Authorized by the California Government Code and the Authority's Investment Policy

The table below identifies the investment types that are authorized by the Authority's investment policy. The table also identifies certain provisions of the California Government Code (or the Authority's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Percentage of Portfolio ⁽¹⁾	Investment in One Issuer
Local agency bonds	5 years	None	None
U.S. Treasury obligations	5 years	None	None
U.S. agency securities	5 years	None	None
State of California notes/bonds	5 years	None	None
Banker's acceptances	180 days	40%	30%
Prime commercial paper ⁽²⁾⁽³⁾	270 days	25%	10%
Negotiable certificates of deposit	5 years	30%	None
Repurchase agreements	1 year	None	None
Reverse repurchase agreements	92 days	20% of Base Value	None
Medium - Term Notes ⁽³⁾	5 years	30%	None
Mutual funds	N/A	20%	10%
Money market mutual funds	N/A	20%	10%
Mortgage pass-through securities	5 years	20%	None
Local Agency Investment Fund (LAIF)	N/A	None	\$75m

⁽¹⁾ Excluding amounts held by bond trustee that are not subject to California Government Code Restrictions.

⁽²⁾ U.S. Corporation with assets greater than \$500 million.

⁽³⁾ Rated "A" or better by Moody's or S&P.

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Authority's investment policy.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Authority manages its exposure to interest rates risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 2: CASH AND INVESTMENTS (continued)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Concentration of Credit Risk

The investment policy of the Authority contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the Government Code.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2022, no deposits of the Authority with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts. As of June 30, 2022, the Airport held no investments.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 3: CAPITAL ASSETS

	Beginning balance	Increases	Decreases	Ending balance
Capital assets, not being depreciated:				
Land	\$ 38,221,477	\$ -	\$ 2,000,000	\$ 36,221,477
Total capital assets, not being depreciated	38,221,477	-	2,000,000	36,221,477
Capital assets, being depreciated:				
Building and improvements	27,679,399	-	-	27,679,399
Equipment	1,435	-	-	1,435
Vehicle	36,352	-	-	36,352
Infrastructure	2,110,182	-	-	2,110,182
Total capital assets, being depreciated	29,827,368	-	-	29,827,368
Less accumulated depreciation:				
Buildings and improvements	(6,143,632)	(743,432)	-	(6,887,064)
Equipment	(96)	(96)	-	(192)
Infrastructure	(492,376)	(35,170)	-	(527,546)
Total accumulated depreciation	(6,636,104)	(778,698)	-	(7,414,802)
Total capital assets, being depreciated, net	23,191,264	(778,698)	-	22,412,566
Capital assets, net of depreciation	\$ 61,412,741	\$ (778,698)	\$ 2,000,000	\$ 58,634,043

NOTE 4: LEASES

The Authority has entered into several leases with various other entities. The leases vary in length from 87 months to 516 months. During the year, the Authority recognized \$111,092 and \$239,031 in interest and lease revenue, respectively. As of June 30, 2022, the lease receivable and deferred inflows of resources related to leases were \$5,613,599, respectively.

NOTE 5: ADVANCES PAYABLE

The Airport received temporary cash advances from the primary government (March Joint Powers Authority) to fund administrative costs until development of the March Inland Port reaches a point that it is self-sustaining. There is no stipulated due date on the \$2,687,896 advance amount. The \$2,687,896 advance is made up of several advances from previous years. Of this amount, \$597,896 is non-interest bearing and the amount of \$2,090,000 carries an interest rate of 5%. The outstanding interest related to the advances is \$1,567,867.

MARCH INLAND PORT AIRPORT AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 6: PENSION PLAN

The Airport participates in the Public Employees' Retirement System of the State of California covering all of its permanent employees. The excess, if any, of the actuarially computed value of vested benefits over the amounts available in the pension fund would be a liability of the March Joint Powers Authority as a whole, not of the Airport. Information regarding the plan description, funding status, actuarially determined contribution requirements and contributions made, and trend information may be found in the March Joint Powers Authority basic financial statements. The Airport's share of the net pension liability at June 30, 2022 was \$234,390, with related deferred outflows of resources of \$122,511 and deferred inflows of resources of \$221,807.

NOTE 7: OTHER POST EMPLOYMENT BENEFITS (OPEB)

The Airport participates in the Public Agency portion of the California Employers' Retiree Benefit Trust Fund (CERBT), administered by California Public Employees' Retirement System covering all eligible retired employees and qualified dependents. The excess, if any, of the actuarially computed value of vested benefits over the amounts available in the CERBT fund would be a liability of the March Joint Powers Authority as a whole, not of the Airport. Information regarding the plan description, funding status, actuarially determined contribution requirements and contributions made, and trend information may be found in the March Joint Powers Authority basic financial statements. The Airport's share of the net OPEB liability at June 30, 2022 was \$4,012, with related deferred outflows of resources of \$59,076 and deferred inflows of resources of \$42,565.

NOTE 8: COMMITMENTS AND CONTINGENCIES

Grant Awards

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, however, the Airport believes that such disallowances, if any, would not be significant. Grant purchased or contributed properties, when sold, are required to be used for airport operations.

MARCH JOINT POWERS UTILITIES AUTHORITY
ANNUAL AUDIT REPORT
Year Ended June 30, 2022

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report	1
Basic Financial Statements:	
Statement of Net Position	4
Statement of Revenues, Expenses, and Changes in Net Position	5
Statement of Cash Flows	6
Notes to Financial Statements	7



Independent Auditor's Report

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To the Board of Commissioners
March Joint Powers Utilities Authority
Riverside, California

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Certified Public Accountants

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the March Joint Powers Utilities Authority (the Utilities Authority), a component unit of the March Joint Powers Authority (the Authority), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the Utilities Authority, as of June 30, 2022, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Utilities Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

The Utilities Authority's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Utilities Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Utilities Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Utilities Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Utilities Authority are intended to present the financial position, the changes in financial position and, where applicable, cash flows of only that portion of the business-type activities and the proprietary fund types of the Authority that are attributable to the transactions of the Utilities Authority. They do not purport, and do not present fairly the financial position of the Authority as of June 30, 2022, the changes in its financial position, or its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Management has omitted *Management's Discussion and Analysis* for the Utilities Authority that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 10, 2023, on our consideration of the Utilities Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
May 10, 2023

MARCH JOINT POWERS UTILITIES AUTHORITY

**Statement of Net Position
June 30, 2022**

ASSETS

Cash	\$ 164,104
Accounts receivable	<u>77,835</u>
Total assets	<u>241,939</u>

LIABILITIES

Current liabilities:	
Accounts payable	17,534
Noncurrent liabilities:	
Advances from the March Joint Powers Authority	<u>450,000</u>
Total liabilities	<u>467,534</u>

NET POSITION (DEFICIT)

Unrestricted	<u>(225,595)</u>
Total net position	<u><u>\$ (225,595)</u></u>

The accompanying notes are an integral part of this statement.

MARCH JOINT POWERS UTILITIES AUTHORITY

Statement of Revenues, Expenses, and Changes in Net Position Year Ended June 30, 2022

OPERATING REVENUES

Charges for services	\$ 262,602
	<u>262,602</u>

Total operating revenues

262,602

OPERATING EXPENSES

Administrative	6,798
Purchased water/utilities	209,057
Maintenance	<u>15,965</u>

Total operating expenses

231,820

Operating income

30,782

NET POSITION (DEFICIT)

Net position, beginning	<u>(256,377)</u>
Net position, ending	<u>\$ (225,595)</u>

The accompanying notes are an integral part of this statement.

MARCH JOINT POWERS UTILITIES AUTHORITY

**Statement of Cash Flows
Year Ended June 30, 2022**

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from customers	\$ 253,254
Cash payments to suppliers for goods and services	<u>(246,670)</u>
Net cash provided by operating activities	<u>6,584</u>
Net increase in cash and cash equivalents	6,584
Cash and cash equivalents, beginning of year	<u>157,520</u>
Cash and cash equivalents, end of year	<u><u>\$ 164,104</u></u>

**RECONCILIATION OF NET OPERATING INCOME/TO
NET CASH PROVIDED BY OPERATING ACTIVITIES**

Operating income	\$ 30,782
Adjustments to reconcile operating income to net cash provided by operating activities:	
(Increase) decrease in accounts receivable	(9,348)
Increase (decrease) in accounts payable	<u>(14,850)</u>
Net cash provided by operating activities	<u><u>\$ 6,584</u></u>

The accompanying notes are an integral part of this statement.

MARCH JOINT POWERS UTILITIES AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Reporting Entity

The March Joint Powers Utilities Authority (the "Utilities Authority") was formed on August 8, 2002 by the City of Moreno Valley, a general law city of the State of California, the City of Perris, a general law city of the State of California, and the City of Riverside, a charter city and municipal corporation of the State of California. The purpose of the Utilities Authority is to provide construction, completion, reconstruction, extension, change, enlargement, acquisition, leasing, operation, maintenance, repair, and control of facilities for the generation, transmission, distribution, and sale of utilities and utilities service. The sale and service of utilities will be to municipalities, public utility districts, corporations, businesses, or persons located at the property formerly known as March Air Force Base.

The Utilities Authority's office and records are located at 14205 Meridian Parkway, Suite 140, Riverside, California 92518.

The Authority Commissioners, as of June 30, 2022, are as follows:

<u>Name</u>	<u>Title</u>	<u>Representing</u>
Jeff Hewitt	Chairman	County of Riverside
Chuck Conder	Vice Chair	City of Riverside
Rita Rogers	Commissioner	City of Perris
Kevin Jeffries	Commissioner	County of Riverside
Jim Perry	Commissioner	City of Riverside
Michael Vargas	Commissioner	City of Perris
Edward Delgado	Commissioner	City of Moreno Valley
Dr. Yxstian Gutierrez	Commissioner	City of Moreno Valley

The Joint Powers Commission meets on the second and fourth Wednesday of each month.

The County of Riverside is a member agency of the March Joint Powers Authority, the primary government of the Utilities Authority. However, the County of Riverside elected not to be a member agency of the Utilities Authority.

B) Measurement Focus, Basis of Accounting and Financial Statement Presentation

The Utilities Authority's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America as they are applicable to governmental units. The Government Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

MARCH JOINT POWERS UTILITIES AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B) Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The Utilities Authority reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the Utilities Authority is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges and space rentals. The Utilities Authority financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recognized in the accounting period earned and expenses are recognized in the period incurred, regardless of the timing of related cash flows.

Proprietary funds distinguish operating revenues and expenses from those revenues and expenses that are non-operating. Operating revenues are those revenues that are generated by utility services while operating expenses pertain directly to the furnishing of those services. Non-operating revenues and expenses are those revenues and expenses generated that are not directly associated with the normal business of utility services.

When both restricted and unrestricted resources are available for use, it is the Utilities Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

C) Cash and Cash Equivalents

In accordance with generally accepted accounting principles, for purposes of the Statement of Cash Flows, all cash and investments with original maturities of 90 days or less are considered cash or cash equivalents.

D) Investments

As a governmental entity other than an external investment pool in accordance with generally accepted accounting principles, the Utilities Authority's investments are stated at fair value except for interest-earning investment contracts. As of June 30, 2022, the Utilities Authority held no investments therefore, no adjustment is reflected in these financial statements.

E) Uncollectible Accounts Receivable

The Utilities Authority uses the allowance method for uncollectible accounts receivable. Currently, the Utilities Authority believes all receivables are collectible based on prior experience. Therefore, there is no current allowance recorded.

MARCH JOINT POWERS UTILITIES AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F) Net Position

Generally accepted accounting principles requires that the difference between assets, liabilities and deferred outflows/inflows of resources be reported as net position. Net position is classified as either net investment in capital assets, restricted, or unrestricted. Net position classified as net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding principal of related debt. Restricted net position is the net position that has external constraints placed on them by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions, or enabling legislation. Unrestricted net position consists of net position that does not meet the definition of net investment in capital assets or restricted net position.

G) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses/expenditures, as appropriate, as well as the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

H) Relationship to the March Joint Powers Authority

The Utilities Authority is an integral part of the reporting entity of the March Joint Powers Authority. The funds of the Utilities Authority have been blended within the financial statements of the March Joint Powers Authority because the Board of Commissioners, excluding the County of Riverside Commissioners, is the governing board of the Utilities Authority and exercises control over the operations of the Utilities Authority. Only the funds of the Utilities Authority are included herein, therefore, these financial statements do not purport to represent the financial position or results of operations of the March Joint Powers Authority.

NOTE 2: CASH AND INVESTMENTS

Cash and Investments are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash	<u>\$ 164,104</u>

Cash and investment consist of the following:

Deposits with financial institutions	<u>\$ 164,104</u>
--------------------------------------	-------------------

MARCH JOINT POWERS UTILITIES AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments Authorized by the California Government Code and the Authority's Investment Policy

The table below identifies the investment types that are authorized by the Utilities Authority's investment policy. The table also identifies certain provisions of the California Government Code (or the Utilities Authority's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Percentage of Portfolio ⁽¹⁾	Investment in One Issuer
Local agency bonds	5 years	None	None
U.S. Treasury obligations	5 years	None	None
U.S. agency securities	5 years	None	None
State of California notes/bonds	5 years	None	None
Banker's acceptances	180 days	40%	30%
Prime commercial paper ⁽²⁾⁽³⁾	270 days	25%	10%
Negotiable certificates of deposit	5 years	30%	None
Repurchase agreements	1 year	None	None
Reverse repurchase agreements	92 days	20% of Base Value	None
Medium - Term Notes ⁽³⁾	5 years	30%	None
Mutual funds	N/A	20%	10%
Money market mutual funds	N/A	20%	10%
Mortgage pass-through securities	5 years	20%	None
Local Agency Investment Fund (LAIF)	N/A	None	\$75m

⁽¹⁾ Excluding amounts held by bond trustee that are not subject to California Government Code Restrictions.

⁽²⁾ U.S. Corporation with assets greater than \$500 million.

⁽³⁾ Rated "A" or better by Moody's or S&P.

Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustee, are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Utilities Authority's investment policy.

MARCH JOINT POWERS UTILITIES AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 2: CASH AND INVESTMENTS (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Authority manages its exposure to interest rates risk is by purchasing a combination of short-term and long-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Concentration of Credit Risk

The investment policy of the Utilities Authority contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the Government Code.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Authority deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2022, no deposits of the Utilities Authority with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts. As of June 30, 2022, the Utilities Authority held no investments.

Fair Value Measurements

The Utilities Authority has no investments subject to the fair value hierarchy.

MARCH JOINT POWERS UTILITIES AUTHORITY

Notes to Financial Statements Year Ended June 30, 2022

NOTE 3: ADVANCES PAYABLE

The Utilities Authority received temporary cash advances from the primary government (March Joint Powers Authority) to fund administrative costs until development of the March Joint Powers Utilities reaches a point that it is self-sustaining. There is no stipulated due date on the advances. The \$450,000 advance is made up of a prior year advance of \$150,000 and the remaining \$300,000 is made up of several advances from previous years. On June 15, 2011, the March Joint Powers Authority forgave all interest on the advances and waived any future interest earned on the advances.

NOTE 4: DEFICIT NET POSITION

The Utilities Authority has a deficit net position of \$225,595 for the year ending June 30, 2022. This deficit is expected to be eliminated by revenue in future periods.

**MARCH JOINT POWERS AUTHORITY
TECHNICAL ADVISORY COMMITTEE
OF THE
MARCH JOINT POWERS AUTHORITY**

***Reports, Discussion and Action
Agenda Item No. 6h***

Meeting Date: June 5, 2023

Report/Discussion: Land Sales Revenue Disbursement

Background:

Pursuant to Section 2.4 of the March Joint Powers Authority Tax and Revenue Sharing Agreement, “the proceeds of any land sales by the Authority are distributed equally among the Parties in accordance with Section 5(j) of the Joint Powers Agreement.” Section 5(j) reads as follows:

(j) Funding and Support. It is anticipated that the operating funds of the JPC will be derived from grants, donations, and from “in kind” contributions from the Parties to this Agreement.

The JPC, in the name and on behalf of the Authority, may apply for, accept, and utilize grants from any governmental or private source in order to implement and carry out the purposes of this Agreement.

After consultation with the JPC, any Party to this Agreement may apply for or accept grants, or other funds or resources for any purpose relating to the objectives of this Agreement and, unless otherwise approved by all members of the JPC, all obligations assumed thereunder shall be the sole obligations of the Party obtaining such monies or resources, and not the obligation of any other Party to this Agreement or of the JPC.

The JPC may request the Parties to this Agreement to contribute funds; provided, however, that any such contribution shall be on an equal basis as among the Parties unless such request by unanimous vote of all the Members of the JPC provides otherwise. Such funds may not be assessed or collected unless the governing body of each Party to this Agreement consents thereto.

Any fund balance, revenue, land sale proceeds, rents, profits or issues derived by, or on behalf of, the JPC other than grants, donations and “in kind” contributions from the Parties to this Agreement and which are not required to implement and carry out the purposes of this Agreement, shall be shared and distributed equally to the Parties of this Agreement unless otherwise as directed by unanimous vote of all the Members of the JPC (such vote must also include Members representing all Parties).

The adopted Tax and Revenue Sharing Agreement eliminated the March JPA's ability to collect sales and transient occupancy tax revenues from Riverside County as those revenue sources will now be shared equally among member agencies. Pass-through payments from the County allowed March JPA to cover a portion of its operational expenses as well as incentives to attract businesses of interest, like manufacturing, to March.

This month the March JPA will receive \$15,500,000 in land sales revenue. Staff will present this item to the Commission for equal disbursement among member agencies pursuant to Section 2.4 of the Tax and Revenue Sharing Agreement. Additionally, given the loss of sales tax and TOT revenues to the agency, March JPA staff will also request that prior to disbursement of funds, that the Authority retain 5 percent of total sale revenues for operational and administrative expenses during its transitional period, consistent with Section 5(j) of the Joint Powers Agreement.

This proposal would yield \$3,681,250 to each member agency, and \$775,000 to the Authority.

Attachments:

- 1) 14th Amendment of the March Joint Powers Agreement
- 2) Tax and Revenue Sharing Agreement

JOINT POWERS AGREEMENT

BETWEEN

THE CITIES OF MORENO VALLEY,
PERRIS AND RIVERSIDE AND THE
COUNTY OF RIVERSIDE

FOR

THE FORMATION OF A

JOINT POWERS AUTHORITY
TO FORMULATE AND IMPLEMENT
PLANS FOR THE USE AND REUSE
OF
MARCH AIR FORCE BASE

PROPOSED AMENDMENT #14

April 18, 2023

FOURTEENTH AMENDED JOINT POWERS AGREEMENT BETWEEN THE CITIES OF MORENO VALLEY, PERRIS AND RIVERSIDE AND THE COUNTY OF RIVERSIDE FOR THE FORMATION OF A JOINT POWERS AUTHORITY TO FORMULATE AND IMPLEMENT PLANS FOR THE USE AND REUSE OF MARCH AIR FORCE BASE

THIS JOINT POWERS AGREEMENT dated this 18th day of April, 2023, is made by and among the CITY OF MORENO VALLEY, a general law city of the State of California, the CITY OF PERRIS, a general law city of the State of California, the CITY of RIVERSIDE, a charter city and municipal corporation of the State of California (the foregoing parties are hereinafter sometimes jointly referred to as “Cities”), and the COUNTY OF RIVERSIDE, a political subdivision of the State of California (hereinafter sometimes referred to as “County”).

WITNESSETH

WHEREAS, Cities and County and other governmental entities have met and discussed the present and future use and reuse of the former March Air Force Base, including the impacts associated therewith upon surrounding communities and upon region; and

WHEREAS, although Cities and County each have the authority and power to formulate and implement plans for the use and reuse of the former March Air Force Base, and to acquire, own, maintain an operate and airport in conjunction therewith, nevertheless it is apparent that no single existing local governmental entity or institution has the requisite capability to exercise such powers, hereinafter sometimes referred to as “the Joint Powers,” in a manner which would most efficaciously serve the interests of the Cities and County or of the region; and

WHEREAS, the former March Air Force Base is a federal enclave located in the western portion of the County of Riverside; and

WHEREAS, the Cities and certain unincorporated areas of the County are adjacent and in close proximity to the former March Air Force Base; and

WHEREAS, the Cities and County agree that given its regional function and significance, the territory identified in Exhibit A shall remain unincorporated at least through the term of the Tax and Revenue Sharing Agreement referenced in Section 15(h) of this Agreement; and

WHEREAS, Cities and County desire to organize themselves pursuant to this Joint Powers Agreement, hereinafter referred to as “the Agreement,” to develop and formulate goals, objectives and priorities, and thereafter, to amend this Agreement or to create an appropriate successor entity to implement such goals, objectives and priorities; and

WHEREAS, Cities and County (sometimes jointly hereinafter referred to as “Parties”) are authorized to contract with each other for the joint exercise of powers pursuant to Article 1, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code of the State of California, hereinafter referred to as “the Act”; and

WHEREAS, on September 7, 1993, the Parties organized themselves pursuant to the Agreement, establishing the March Joint Powers Authority; and

WHEREAS, since that time, the Parties have amended the Agreement thirteen times, though the Seventh Amendment, establishing the March Joint Powers Utilities Authority, was only adopted by the Cities; and

WHEREAS, in accordance with the Agreement, as amended, the Parties have established the March Inland Port Airport Authority to govern the operations of the civilian airport at the site of the former March Air Force Base; and

WHEREAS, the Parties now wish to amend the Agreement for the fourteenth time to reflect the refinement and reduction of duties of the March Joint Powers Authority, anticipated future completion of the land use redevelopment phase of the original purpose of the Agreement, and the transition into a new phase of inter-governmental cooperation in the operation and management of the civilian airport through the March Inland Port Airport Authority.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter stated, the Parties hereto agree as follows:

Section 1. Purpose. Through June 30, 2025, this Agreement is made under the provisions of the Act and is made for the following express purposes: (a) Developing and formulating and implementing plans for the organization, development and establishment of program goals, objectives and priorities for the use and reuse of the former March Air Force Base; (b) Obtaining of funding and other resources, as is more specifically set forth in Section 6 herein; (c) Creating a Redevelopment Agency having all of the rights, powers, and duties related thereto and carrying out the necessary actions to form and implement a redevelopment project area; (d) Creating an “Airport Authority” having all the rights, powers, and duties related thereto; (e) Functioning as the single, local, representative of the region and the most affected communities in respect to formulating and implementing plans for the use and reuse of the former March Air Force Base; and (f) Planning and implementing the development of land in the area covered by the March “Master Reuse Plan”, Air Force Village West in its entirety, and additional territory, which is all collectively identified in Exhibit A (Authority Land Use Territory), attached hereto and incorporated herein by reference, including the preparation and adoption of a General Plan and/or a Specific Plan, the preparation and adoption of zoning and other land development standards, the preparation and adoption of health and safety codes related to development activities, and the implementation of these functions through the creation of appropriate Boards and Commissions pursuant to California law.

Beginning July 1, 2025, the Agreement shall serve the following express purposes: (a) the operation of the Successor Agency of the Former March Joint Powers Redevelopment Agency, having all of the rights, powers, and duties related thereto and carrying out the necessary actions associated with a successor agency under state law; (b) the operation and management of the March Inland Port Airport Authority and its civilian airport, covering the territory identified in the map attached hereto and incorporated herein as Exhibit B, and having all the rights, powers, and duties related thereto including authority for airport master planning and authority to collect and retain, for airport purposes, any and all lease revenues from airport properties; (c) the non-exclusive representation of the Parties and the wider region in state and federal matters affecting

the March Air Reserve Base; and (d) the continued operation and management of its property or property districts outside the Airport Authority territory, including the collection of rents, fees, assessments or other revenues and expenditure of funds associated therewith (notwithstanding the Authority's ability to continue to operate such districts, should the Authority pursue the transfer of control of any such district to a Party, the Authority shall bear the costs of such transfer including the cost of any ballot measure, if necessary).

The purposes of this Agreement shall be accomplished and said common powers exercised in the manner hereinafter set forth, subject however to such restrictions as are applicable to County in its manner of exercising such powers, as required by Government Code Section 6509.

Section 2. Creation of the Authority. Pursuant to the Act, there is hereby created a public entity to be known as the "March Joint Powers Authority," hereinafter referred to as "the Authority." The Authority shall be a public entity, separate and apart from its members, and, as provided by law and not otherwise prohibited by this Agreement, shall be empowered to take such actions as may be necessary or desirable to implement and carry out the purposes of this Agreement.

Section 3. Term. The term of this Agreement shall commence upon approval and execution of this document by County and all three Cities and shall continue until terminated by the Parties hereto by their mutual written consent as provided in Section 4.

Section 4. Terminations and Amendments.

(a) Any Party to this Agreement may withdraw for any reason upon giving all other Parties sixty (60) days advance written notice of the effective date of such withdrawal, and this Agreement shall thereupon be deemed automatically amended to reflect the deletion of said Party from this Agreement.

(b) This Agreement initially contemplates a four-party Agreement. However, if any Party elects to withdraw during the term of this Agreement pursuant to Subsection 4 (a) above, the remaining Parties, if two or more in number, may elect to continue with the purposes of this

Agreement and this Agreement shall be appropriately amended to reflect the change in membership.

(c) Provided there is mutual consent by the governing bodies of each of the Parties to this Agreement, evidenced in writing, this Agreement may be: (1) amended to extend the term thereof; (2) amended to add new Parties; or (3) amended to change any substantive portion of the Agreement, or any one or more of the foregoing, in accordance with all applicable laws, rules and regulations.

(d) The Parties to this Agreement specifically agree that this Agreement creates an entity which may acquire or hold property. If it is deemed that Sections 6511 and 6512 of the Act are applicable after completion of the purposes of this Agreement or upon termination thereof, any property or assets acquired or surplus money on hand which was obtained pursuant to this Agreement and which is not required by law or contract to be distributed in a different manner, shall be returned to the then Parties to the Agreement in proportion to the contributions made. For purposes of this distribution, "contributions made" include unreimbursed in-kind services, materials and equipment provided by a Party.

Section 5. Creation of the Joint Powers Commission ("JPC").

(a) Creation of JPC. In order to effectuate the purposes of this Agreement as set forth in Section 1 hereof and to accomplish the Action Steps described in Section 6 hereof, Cities and County agree to establish at the earliest possible date after commencement of this Agreement, a Joint Powers Commission (hereinafter referred to as "JPC"), which shall be the governing body of the entity created by this Agreement and all the powers of such entity shall be exercised by the JPC.

(b) Membership. The JPC shall initially be composed of eight (8) Members. Each Party to this Agreement shall be represented by two (2) JPC Members with each Member being entitled to one (1) vote. In the event only one Member or the Alternate is present representing the same Party, that Member or Alternate who is present may cast two (2) votes on behalf of that Party in any manner deemed appropriate by such Member or Alternate. In the event no Member or Alternate

of a Party is present at the time that votes are cast on a matter, the votes of such absent Members or Alternate shall be considered as not having been cast.

(c) Designation of Representatives and Alternates. The governing body of each Member on the JPC shall appoint by resolution its Representatives and may appoint by resolution an Alternate to the JPC. A copy of the resolution shall be furnished to the JPC. Each Representative and Alternate must hold an elective office on the respective governing body appointing the Representative and Alternate. Alternates shall have the authority to act in a Representative's absence. Representatives for the County of Riverside shall be the Supervisors of Districts I and V and the Alternate for the County of Riverside shall be the Supervisor of District III.

Representatives and Alternates shall serve on the JPC during the term for which they were appointed or until their successor has been appointed or their appointment has been revoked, whichever is earlier. However, a Representative's or Alternate's position on the JPC shall automatically terminate if and when the term of the elected public office of such Representative or Alternate is terminated. When a vacancy occurs, it shall be the duty of the respective Party having the vacancy to promptly inform the JPC of the name of the replacement Representative or Alternate by forwarding a copy of the resolution appointing such replacement Representative or Alternate to the JPC .

(d) Quorum and Transaction of Business. The presence of five (5) Members of the JPC shall constitute a quorum of which a least four (4) Members shall represent each Party to this Agreement, provided, however, that there shall be no requirement for the presence of four (4) Members representing each Party if both Members of the Party are absent for two (2) successive meetings. A vote of five (5) Members shall be necessary for the transaction of business, except for adjournment of a meeting which shall require only a majority vote of those present. No proxy or absentee voting shall be permitted.

(e) Meetings. The JPC shall establish the time and place for its regular and special meetings. The dates, hour and location of regular meetings shall be fixed by resolution of the JPC and a copy of such resolution shall be filed with the governing body of each of the Parties and with

each Party's designated Representatives. Special meetings and adjourned meetings may be held as required or permitted by law.

(f) Ralph M. Brown Act. All meetings of the JPC, including without limitation, regular, special and adjourned meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with Section 54950 of the California Government Code).

Pursuant to Government Code Section § 54956.96, Members or Alternates may disclose information discussed in closed session that has direct financial or liability implications for any Party to this Agreement to the following individuals:

(1) Legal counsel of any Party to this Agreement for purposes of obtaining advice on whether the matter has direct financial or liability implications for that Party.

(2) Other members of the legislative body of the Party present in closed session of that member Party.

Furthermore, any Alternate who is also a member of the legislative body of any Party and who is attending a properly noticed meeting of the JPC in lieu of a Member may attend closed sessions of the JPC.

(g) Officers. The JPC shall select a Chairperson and a Vice-Chairperson at its first meeting and at the first meeting held in each succeeding calendar year shall select or re-select its officers. In the event an officer resigns or ceases to be an officer, the JPC shall select a replacement therefor at the next regular meeting of the JPC. In the absence or inability of the Chairperson to act, the Vice-Chairperson shall act as Chairperson.

(h) Management, Staff and Support Personnel. Subject to the availability of funds, the JPC may contract for or employ such staff and support personnel as may be necessary or desirable in implementing and carrying out the purposes of this Agreement. Such staff and personnel shall exercise those powers, duties and responsibilities imposed or conferred herein or conferred thereon by the JPC.

Additional support personnel for the JPC may be provided by the staff of the Parties to this Agreement subject to such conditions as may be approved by the governing bodies of such personnel and by the JPC.

(i) Rules. The JPC may adopt, from time to time, such rules and regulations for the conduct of its meetings and affairs as it may deem necessary, including, without limitation, the designation of a person to record and transcribe the minutes of each public meeting of the JPC.

(j) Funding and Support. It is anticipated that the operating funds of the JPC will be derived from grants, donations, and from “in kind” contributions from the Parties to this Agreement.

The JPC, in the name and on behalf of the Authority, may apply for, accept, and utilize grants from any governmental or private source in order to implement and carry out the purposes of this Agreement.

After consultation with the JPC, any Party to this Agreement may apply for or accept grants, or other funds or resources for any purpose relating to the objectives of this Agreement and, unless otherwise approved by all members of the JPC, all obligations assumed thereunder shall be the sole obligations of the Party obtaining such monies or resources, and not the obligation of any other Party to this Agreement or of the JPC.

The JPC may request the Parties to this Agreement to contribute funds; provided, however, that any such contribution shall be on an equal basis as among the Parties unless such request by unanimous vote of all the Members of the JPC provides otherwise. Such funds may not be assessed or collected unless the governing body of each Party to this Agreement consents thereto.

Any fund balance, revenue, land sale proceeds, rents, profits or issues derived by, or on behalf of, the JPC other than grants, donations and “in kind” contributions from the Parties to this Agreement and which are not required to implement and carry out the purposes of this Agreement, shall be shared and distributed equally to the Parties of this Agreement unless otherwise as directed by unanimous vote of all the Members of the JPC (such vote must also include Members representing all Parties).

(k) Consultants. Subject to the availability of funds, the JPC may employ such consultants as are deemed necessary and desirable in implementing and carrying out the purposes of this Agreement.

(l) Fiscal Year. The fiscal year of the Authority shall be the period commencing on July 1 of each year and ending on and including the following June 30.

(m) Treasurer. The Treasurer of the Authority shall be a designated member of the Commission or the staff. The Treasurer shall have the custody of the Authority money and disburse Authority funds pursuant to the accounting procedures developed in accordance with the provisions of this Agreement, the Act, and with those procedures established by the JPC. The Treasurer shall assume the duties described in Section 6505.5 of the Government Code, namely: receive and receipt for all money of the Authority and place in the Treasury of the Treasurer to the credit of the Authority; be responsible upon an official bond as prescribed by the JPC for the safekeeping and disbursement of all Authority money so held; pay, when due, out of money of the Authority so held, all sums payable, only upon warrants of the officer performing the functions of the Controller who has been designated by the Authority or JPC; verify and report in writing on the first day of July, October, January and April of each year to the Authority and to the Parties to the Agreement the amount of money held for the Authority, the amount of receipts since the last report, and the amount paid out since the last report; and perform such other duties as are set forth in this Agreement or specified by the JPC.

(n) Controller. The Authority's Executive Director, or another appointed person or a contracted private firm at the discretion of the Commission, shall be the Controller of the Authority. The Controller shall draw warrants to pay demands against the Authority when such demands have been approved by the JPC or by any other person authorized to so approve such by this Agreement or by resolution of the JPC. The Controller shall perform such duties as are set forth in this Agreement and such other duties as are specified by the JPC.

There shall be strict accountability of all funds and reporting of all receipts and disbursements. The Controller shall establish and maintain such procedures, funds and accounts

as may be required by sound accounting practices, the books and records of the Authority in the hands of the Controller shall be open to inspection at all reasonable times by representatives of the Parties.

The Controller, with the approval of the JPC, shall contract with an independent certified public accountant or firm to prepare an annual audit of the accounts and records of the Authority, and a complete written report of such audit shall be filed as public records annually, within six (6) months of the end of the fiscal year under examination, with each of the Parties. Such annual audit and written report shall comply with the requirements of Section 6505 of the Government Code. The cost of the annual audit, including contracts with, or employment of such independent certified public accountants in making an audit pursuant to this Agreement shall be a charge against any unencumbered funds of the Authority available for such purpose. The JPC by unanimous vote, may replace the annual audit with a special audit covering a two-year period.

(o) Technical Advisory Committee. There is hereby established within the Authority a Technical Advisory Committee. The members of the Technical Committee shall be as follows:

- (i) The Member of the United States House of Representatives who represents the Congressional District which includes the former March Air Force Base, or the designee of such Member;
- (ii) The City Manager of each of the cities which are parties to this Agreement, or the designee thereof;
- (iii) The County Executive Officer of the County of Riverside, or the designee thereof; and
- (iv) Such other persons as the foregoing membership may select, including, without limitation, representatives of private and governmental entities.

The TAC shall also involve in its discussion non-voting “ex-officio” members. These members may be changed from time-to-time, but at a minimum the Executive Director of the Western Riverside Council of Governments and the Base Transition Coordinator shall be considered as “ex-officio” members of the TAC.

The Chairperson of the Technical Advisory Committee shall be the Member of the United States House of Representatives or the designee of such Member.

The duties of the Technical Advisory Committee shall be:

- (i) To act as an advisory body to the JPC in matters relevant to the purposes of this Agreement; and
- (ii) To undertake such other duties as may be assigned to the Committee by the JPC.

Section 6. Achievement of Purposes. In order to achieve the purposes set forth in this Agreement, the JPC shall convene as a body and shall be charged with the responsibility of hearing and reviewing oral and written reports, analyzing documentary evidence, engaging in discussions, making inspections, examining all relevant data as is more specifically set forth in the specific action steps hereinafter provided:

(a) Short Term Action Steps.

- (1) Identify available funding, in accordance with Section 5(j), from available federal, state and private grants to aid in the financing of the work associated with the purposes of this Agreement.
- (2) Coordinate the actions and plans of the Authority with other governmental entities and interested organizations.
- (3) Investigate and recommend interim and permanent finance programs in order to serve the best interests of the affected communities and the region and to accomplish the purposes of this Agreement.

(b) Long Term Action Steps.

- (1) Develop a cohesive plan for use and reuse of the former March Air Force Base and its surrounding environs to the extent such plan does not conflict with federal, state or local law.
- (2) Serve as the single, local representative organization in working with the office of Economic Adjustment of the United States Department of Defense.

The listing of the above acts is not intended to indicate any priority of one act over another, nor is such listing intended to be all inclusive. The JPC may authorize other acts to be done in the accomplishment of the purposes of this Agreement. One or several acts may take place concurrently or in sequence as the JPC shall direct.

Section 7. JPC a Separate Entity; Liability; Immunity. The JPC shall be a public entity separate and apart from the Parties to this Agreement. However, each Party to this Agreement shall defend, indemnify and hold harmless each other party from and against all claims, damages, losses, judgments, liabilities, expenses, and other costs including litigation costs and attorney's fees arising out of, resulting from or in connection with the performance of this Agreement by any of its officers, employees or agents. Each Party's obligation to defend, indemnify and hold each of the other Parties to this Agreement harmless applies to any actual or alleged personal injury, death, or damage or destruction to tangible or intangible property including the loss of use.

It is the intent of the Parties that, except as provided herein, the JPC cannot incur any debts, liabilities or obligations without the consent of the governing body of each Party to the Agreement; provided, however, any such debts, liabilities or obligations shall be shared, and otherwise apportioned, equally as among the Parties to this Agreement unless the JPC by unanimous vote of all the Members of the JPC directs otherwise. However, to the extent such are established pursuant hereto or by the final judgment of a court of competent jurisdiction, they shall constitute the debts, liabilities and obligations of the Authority and shall not constitute the debts, liabilities or obligations of the Parties to this Agreement or of any of them.

As to the officers, agents, Representatives, Alternates, and employees, if any, of the JPC or the Parties to this Agreement, the provisions of California Government Code Section 6513 are hereby incorporated into this Agreement.

Section 8. Successor Agency. Allocation of Assets and Liabilities Upon Dissolution of the March Joint Powers Redevelopment Agency. Upon dissolution of the March Joint Powers Redevelopment Agency (the "Agency"), the Authority is hereby designated the successor agency with all authority, rights, powers, duties and obligations previously vested with the Agency. Any

and all assets and liabilities in possession of the Agency shall be transferred to the Authority, as the successor agency, upon the Agency's dissolution.

Section 9. Severability. If any section, clause or phrase of this Agreement or the application thereof to any Party or any other person or circumstance is for any reason held to be invalid by a court of competent jurisdiction, it shall be deemed severable and the remainder of the Agreement or the application of such provisions to the other Party or to other persons or circumstances shall not be affected thereby.

Section 10. Notices. Notices required or permitted hereunder shall be sufficiently given if made in writing and delivered either personally or by registered or certified mail, postage prepaid to said respective Parties, as follows:

- (a) March Joint Powers Commission
c/o Executive Director
14205 Meridian Parkway, Suite 140
Riverside, CA 92518
- (b) City of Moreno Valley
c/o City Manager
P.O. Box 88005
Moreno Valley, CA 92552
- (c) City of Perris
c/o City Manager
101 N "D" St.
Perris, CA 92570
- (d) City of Riverside
c/o City Manager
3900 Main Street, 7th Floor
Riverside, CA 92501
- (e) Riverside County Board of Supervisors
c/o County Executive Officer
County Administrative Center
4080 Lemon Street
Riverside, CA 92501

Section 11. Other Obligations. The responsibilities and obligations of each Party to this Agreement shall be solely as provided in this Agreement, or as may be provided for in supplemental agreements to be executed by the Parties.

Section 12. Other Agreements Not Prohibited. Other agreements by and between the Parties of this Agreement or any other entity are neither prohibited nor modified in any manner by execution of this Agreement.

Section 13. Powers Not Included in Agreement. It is contemplated that certain common powers of the Parties to this Agreement may be needed in the future, however, until such time as the Parties may deem otherwise and this Agreement is amended to specifically so provide, it shall not be construed or interpreted to mean that the Authority or the JPC possesses the power, right or authority to mandate the expenditure of funds by Parties to this Agreement, or to incur any obligation on behalf of any Party to this Agreement; provided further, however, in the event this Agreement is amended to provide for the regulation or control of land use, any Party may disapprove any proposed regulation or control of land use affecting any real property which is within, or contiguous to, the jurisdiction of such Party.

Except as specifically provided to the contrary herein, this Agreement is not designed to, nor shall it be construed or interpreted to affect the rights of any Party to this Agreement. Furthermore, this Agreement shall not be construed to prohibit any Party from applying for or accepting any grants, funds or monies for any purpose when the obligations thereunder become the sole obligation of said Party.

Section 14. Non-Assignability. The rights, titles and interests of any Party to this Agreement shall not be assignable or transferable without the consent of the governing body of each Party hereto.

Section 15. Miscellaneous.

(a) Section Headings. The section headings herein are for convenience of the Parties only, and shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions or language of this Agreement.

(b) Laws of California. This Agreement is made in the State of California, under the Constitution and laws of such State, and shall be construed and enforced in accordance with the laws of such State.

(c) Construction of Language. It is the intention of the Parties hereto that if any provision of this Agreement is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

(d) Cooperation. The Parties recognize the necessity and hereby agree to cooperate with each other in carrying out the purposes of this Agreement, including cooperation in matters relating to the public, accounting, litigation, public relations and the like.

(e) Future Amendments. To preserve a reasonable degree of flexibility, many parts of this Agreement are stated in general terms. It is understood that there may be Amendments to this Agreement which will further define the rights and obligations of the Parties.

(f) Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors of the Parties hereto.

(g) Duplication Rights. Each Party shall have the right to duplicate, at its own expense, any and all documents and reports created or acquired, in the joint exercise of powers hereunder by the JPC or by any other Party hereto pursuant to this Agreement.

(h) Effective Date. This Agreement shall become effective on the date the later of the following events occur: (1) the execution of this Agreement by all Parties; and (2) the execution by all Parties of a Tax and Revenue Sharing Agreement. Until such time as this Agreement becomes effective, the Thirteenth Amendment to the Joint Powers Agreement Between the Parties shall remain in full force and effect.

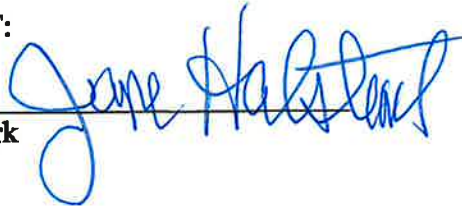
IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized as of the date first above written.

CITY OF MORENO VALLEY


Date: MAR 09 2023

BY: 
Mayor

ATTEST:


City Clerk

APPROVED AS TO FORM:


For- City Attorney
Daniel Trujillo, Deputy City Attorney

CITY OF PERRIS

Date: 3/9/23

By: 
Mayor, Michael M. Vargas

ATTEST:


City Clerk, Nancy Salazar

APPROVED AS TO FORM:


City Attorney, Robert Khuu

CITY OF RIVERSIDE

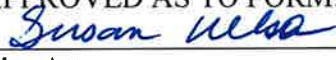
Date: March 8, 2023

BY: 
Mayor

ATTEST:


City Clerk

APPROVED AS TO FORM:


City Attorney

COUNTY OF RIVERSIDE

Date: April 18th, 2023

By: 
Chair

ATTEST:

Clerk of the Board

KEVIN JEFFRIES
CHAIR, BOARD OF SUPERVISORS

APPROVED AS TO FORM:


Deputy County Counsel

EXHIBIT A
AUTHORITY LAND USE TERRITORY

March Joint Powers Authority

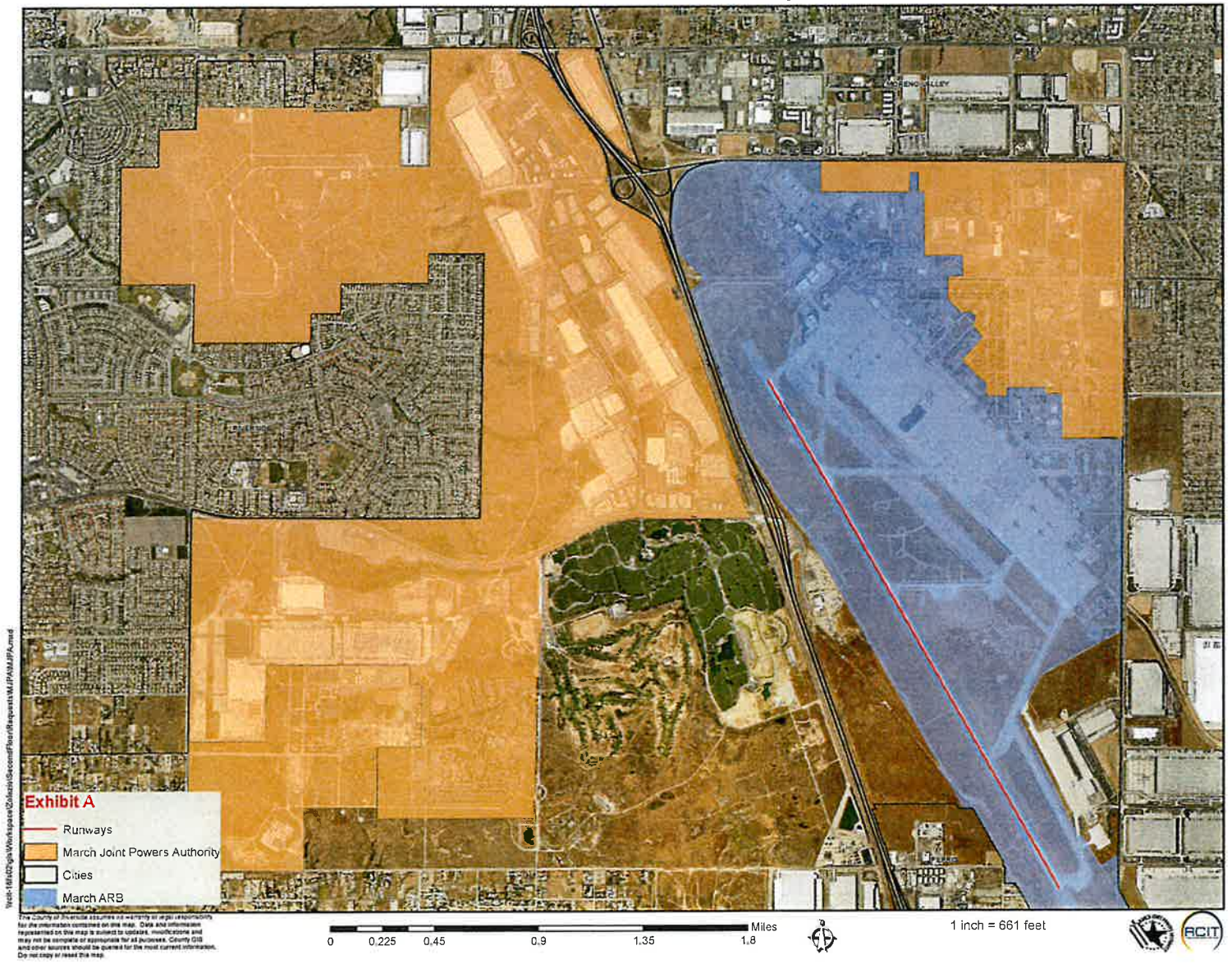
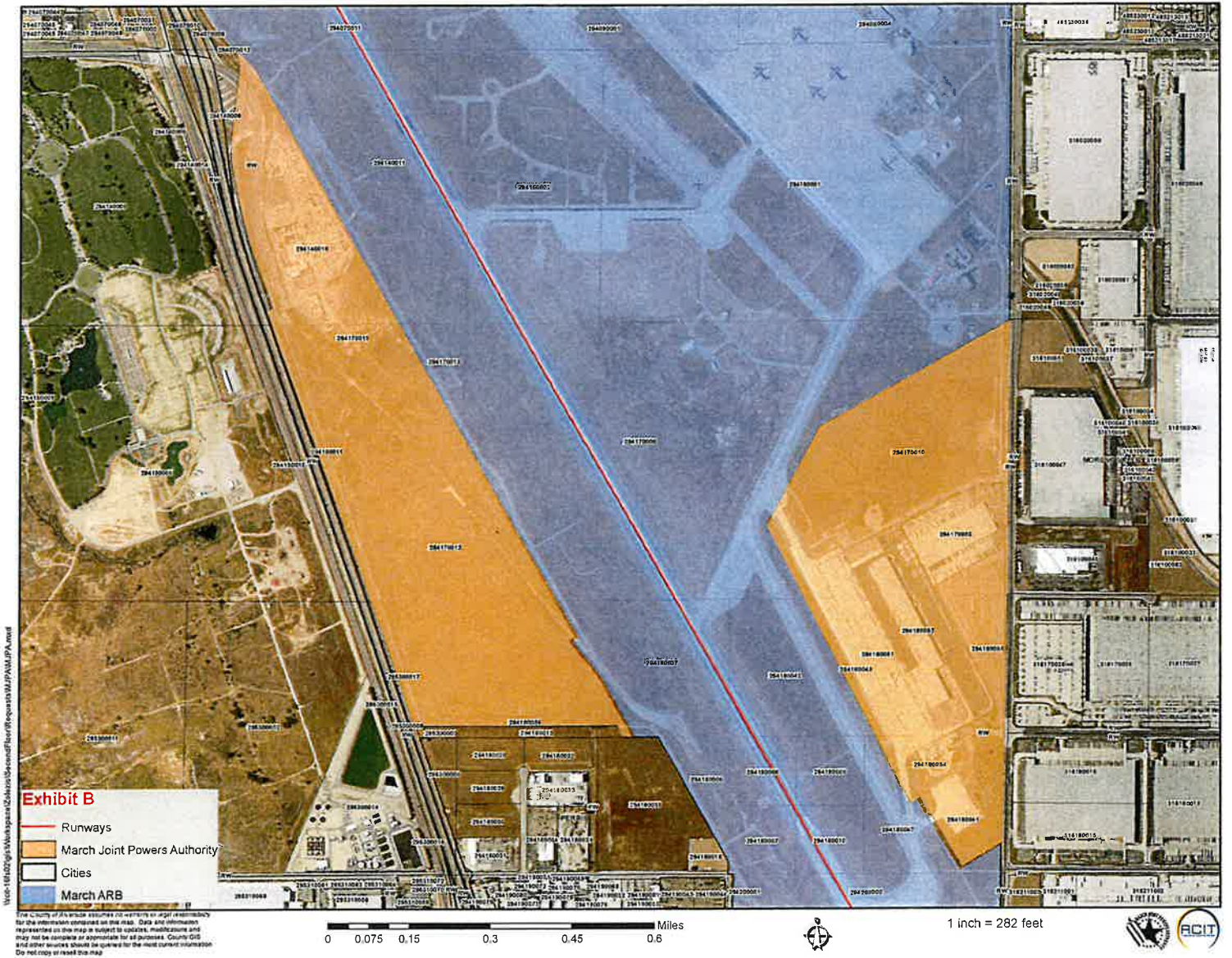


EXHIBIT B
AIRPORT AUTHORITY TERRITORY

March Joint Powers Authority



**TAX AND REVENUE SHARING AGREEMENT AMONG
THE CITY OF MORENO VALLEY, THE CITY OF PERRIS,
THE CITY OF RIVERSIDE, AND THE COUNTY OF
RIVERSIDE REGARDING THE MARCH JOINT POWERS
AUTHORITY TERRITORY**

This **TAX AND REVENUE SHARING AGREEMENT** (“Agreement”) among the CITY OF MORENO VALLEY (“Moreno Valley”), a municipal corporation, the CITY OF PERRIS (“Perris”), a municipal corporation, the CITY OF RIVERSIDE (“Riverside”), a charter city and municipal corporation, and the COUNTY OF RIVERSIDE, a political subdivision of the State of California (“County”) is made and entered into as of the 18th day of April, 2023 (“Effective Date”). Moreno Valley, Perris, and Riverside are sometimes collectively referred to hereafter as “Cities.” Moreno Valley, Perris, Riverside, and County are sometimes individually referred to as “Party” and collectively as “Parties.”

1. Recitals

1.1 WHEREAS, in 1993, the Base Realignment and Closure Commission recommended, and the President approved, the inclusion of March Air Force Base in the third round of base closures or realignments, resulting in the re-designation of the base as March Air Reserve Base and a significant reduction in its territory; and

1.2 WHEREAS, in response, in September 1993, the Parties adopted an agreement (the “Joint Powers Agreement”) establishing the March Joint Powers Authority (“Authority”) for the joint exercise of powers to dispose of and govern the former territory of the March Air Force Base in accordance with Article 1, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code of the State of California; and

1.3 WHEREAS, since 1993, the Parties collectively administered the Authority for the benefit of the territory served by the Authority (“Authority Territory”, which is further defined in Exhibit A, attached hereto and incorporated herein by this reference); and

1.4 WHEREAS, since that time, the Parties have amended the Agreement thirteen times, though the Seventh Amendment, establishing the March Joint Powers Utilities Authority, was only adopted by the Cities; and

1.5 WHEREAS, now, the Parties wish to amend the Joint Powers Agreement for a fourteenth time to generally remove the Authority’s land use and municipal obligations, leaving these obligations to the County because the Authority Territory is unincorporated; and

1.6 WHEREAS, in connection with this proposed amendment, to recognize the County’s increased duties in the Authority Territory, due to the desire by the Parties to keep the area unincorporated for the duration of the agreement term, the Parties’ collective efforts to redevelop the Authority Territory, and to prevent costly legal and land disputes among the Parties, the Parties have negotiated this Agreement to ensure an equitable distribution of revenues associated with the Authority and the Authority Territory.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants

hereinafter contained and for good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

2. Terms of Agreement

2.1 Incorporation of Recitals. The Parties hereby affirm the facts set forth in the Recitals above. Said Recitals are incorporated into this Agreement by this reference.

2.2 Distribution of Property Taxes.

(a) Definitions. For the purposes of this Section 2.2, the following definitions shall apply:

(i) Property Tax Revenues. Property Tax Revenues shall mean the moneys distributed to the County during the term of this Agreement from the Redevelopment Property Tax Trust Funds related to the former March Joint Powers Redevelopment Agency (or "RPTTF") for the properties identified in the map attached hereto and incorporated herein as Exhibit B and which are paid to the County as determined by the Riverside County Auditor Controller ("Auditor-Controller") pursuant to Health and Safety Code Section 34183(a)(4) and as reported by the Auditor-Controller pursuant to Health and Safety Code Section 34183. Property Tax Revenues shall be exclusive of allowable charges of the Auditor-Controller for administering the RPTTF pursuant to Health and Safety Code Section 34182(e) and Revenue and Taxation Code Section 95.3.

(b) Distribution. Property Tax Revenues shall be distributed as follows:

(i) County Services Payment. First, and prior to any distribution from Property Tax Revenues, beginning the effective date of this Agreement, the County shall subtract an amount equal to \$2,450,975 for the fiscal year that this Agreement is executed, and thereafter shall subtract \$2,450,975 plus the summation of any annual adjustments as described in this section, from the total Property Tax Revenues to cover its cost of providing services, including municipal services, within the Authority Territory. This amount, and successive amounts as adjusted each year thereafter, shall be adjusted annually based on the annual change in the Riverside-San Bernardino-Ontario, CA Consumer Price Index (CPI-U) for all items published by the U.S. Bureau of Labor Statistics (or equivalent successor index) with a baseline of the July 2023 index.

(ii) Property Tax Payment to Moreno Valley and Riverside. Second, if Property Tax Revenues remain after amounts deducted under subdivision (b)(i) herein, the County shall issue a reimbursement payment to Moreno Valley and Riverside in an amount equal to their proportionate share of RPTTF used to pay enforceable obligations of the March Joint Powers Authority Successor Agency from the assessed value of property within their respective jurisdictions (as shown in Exhibit B), as reported by the Auditor-Controller. These payments shall be calculated as follows by jurisdiction as currently reported by the Auditor-Controller: RPTTF gross growth generated within respective jurisdictional area, less pass-through payments, less both County administrative fees, and residual receipts.

(iii) Remainder. Finally, if Property Tax Revenues still remain after amounts deducted in accordance with (b)(i) and (b)(ii) herein, the County shall retain seventy five percent (75%) of the remaining amount and shall distribute the remaining twenty five percent (25%) equally among the Cities.

2.3 Distribution of Sales Taxes, Transient Occupancy Taxes, and Franchise Fees.

(a) Definitions. For the purposes of this Section 2.3, the following definitions shall apply:

(i) Sales Tax Revenues. Sales Tax Revenues shall include Bradley Burns Local 1% sales or use taxes paid by any businesses within the Authority Territory (see Exhibit A) upon taxable sales and uses attributable to the operations of businesses within the Authority Territory and allocated and actually paid to, and received by, County under the Uniform Local Sales and Use Tax Law (Part 1.5, Division 2 of the California Revenue and Taxation Code). Local Sales Tax Revenues shall not include (i) penalties, assessments, collection costs, and other costs, fees, or charges resulting from late or delinquent payments of sales or use tax and which are levied, assessed, or otherwise collected from business within the Authority Territory; (ii) any sales or use tax levied by, collected for, or allocated to the State of California, a district, or any entity (including an allocation to a statewide or countywide pool) other than County; (iii) any administrative fee charged by the California Department of Tax Fee Administration (or any successor agency); (iv) any sales or use tax subject to any sharing, rebate, offset, or other charge imposed pursuant to any applicable provision of federal, state, or local (except the County's) law, rule, or regulation; or (v) any sales or use tax (or other funds measured by sales or use taxes) required by the State of California to be paid over to another public entity (including the State), or set aside and/or pledged to a specific use other than for deposit into or payment from the County's general funds, including retroactively..

(ii) Transient Occupancy Tax Revenues shall include any tax charge on the rent paid by transient guests of hotels, motels, short-term rentals, or any other lodging facility within the Authority Territory (see Exhibit A) to the County under the County's local laws.

(iii) Franchise Fee Revenues shall include any fees paid by a franchisee of the County for the use of governmental facilities within the Authority Territory (see Exhibit A). Franchise Fee Revenues shall be calculated as follows: Total Actual Franchise Fee Revenue generated within the county unincorporated area during the fiscal year, divided by unincorporated area Service Population for the year, then multiplied by Authority Territory Service Population for the year. Service Population shall be calculated as one half of the area employment, added to area population. Source data for this calculation shall be from a reputable source (e.g. Department of Finance, County of Riverside Budget Book, etc.)

(b) Distribution. Sales Tax Revenues, Transient Occupancy Tax Revenues, and Franchise Fee Revenues shall be distributed evenly among the Parties such that the County shall pay to each of the Cities a total of twenty five percent (25%) of such revenues.

(c) Data. County agrees to take any lawful actions necessary to permit Cities to receive sales tax, transient occupancy tax, and franchise fee revenue data for the Authority Territory.

2.4 Distribution of Land Sale Proceeds. The proceeds of any land sales by the Authority are distributed equally among the Parties in accordance with Section 5(j) of the Joint Powers Agreement.

2.5 Annexation of Property.

(a) City-Initiated Annexations. Cities shall not take any City-initiated steps toward the annexation of Authority Territory during the term of this Agreement. For example, Cities shall not initiate the following actions: any pre-zoning or pre-planning of Authority Territory, the preparation of any municipal service reviews for the Authority Territory, the preparation of any environmental document associated with considering annexation of any Authority Territory, or the submission of any applications to annex any Authority Territory. Cities shall not provide funding for, solicit or encourage property owners, developers, or any third parties to seek annexation of any Authority Territory into a City's jurisdiction.

(i) Penalty for Violation. Should any Party violate this subsection of the Agreement, that Party shall reimburse to County any payments made under this Agreement to date and shall not receive any further payments under this Agreement. Reimbursed payments shall be redistributed by County equally among the non-violating Parties (i.e., one third each assuming only one Party is in violation).

(b) Property Owner-Initiated Annexations. If, in the absence of a violation of subdivision (a) of this Section 2.5, a third party initiates and successfully completes proceedings to annex property within the Authority Territory into one of the Cities' jurisdictions, the Party annexing property shall make a payment to the County of all property, sales, and transient occupancy taxes received by that Party in connection with the annexed property within 30 days following receipt of said taxes. The payment shall be accompanied by a detailed statement setting forth the amount and type of taxes received from annexed properties within the Authority Territory. The County shall then distribute said payment to all Parties within 30 days following receipt in accordance with the applicable formula under this Agreement as if the County had received the taxes directly. If the legislative body of a City votes to approve an annexation initiated by a property owner, where the City has not encouraged, solicited, or incentivized the annexation, it shall not be considered a violation of subdivision (a) of this Section 2.5.

2.6 Term and Termination. This Agreement shall remain in effect until August 1, 2041. No Party may terminate this Agreement in advance of that date.

2.7 Payment Terms. On a twice-annual basis, on or before April 1 and October 1 each year, County shall make a payment to each of the Cities for their share of revenues received under Sections 2.2 and 2.3 during the periods July 1 through December 31 and January 1 through June 30 respectively (i.e., the first payment under this Agreement shall be made on or before April 1, 2024 for receipts during the period July 1 through December 31, 2023).

2.8 Insurance Requirements. The Parties shall each maintain adequate insurance coverage for the activities contemplated herein for the duration of this Agreement.

3. Miscellaneous Terms

3.1 Amendment. This Agreement may be amended at any time by the mutual consent of the Parties by an instrument in writing signed by all Parties.

3.2 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

3.3 Entire Agreement. This Agreement constitutes the entire and integrated agreement with respect to the subject matter hereof and supersedes any and all prior and contemporaneous oral or written negotiations, representations or agreements.

3.4 Notices, Demands and Communications Between the Parties.

(a) Formal notices, demands and communications between Parties shall be deemed sufficiently given if: (i) by commercial overnight delivery; (ii) by messenger service for immediate personal delivery; or (iii) by electronic transmittal, including electronic mail and/or fax transmissions, subject to written verification of receipt by the receiving party. Such written notices, demands and communications may be sent in the same manner to such other addresses as either Party may from time to time designate by written notice to the other Party.

All notices, demands and communications shall be sent, as follows:

TO MORENO VALLEY:

City of Moreno Valley
Attn: City Manager
P.O. Box 88005
Moreno Valley, CA 92552

Copy to:

City of Moreno Valley
Attn: City Attorney
P.O. Box 88005
Moreno Valley, CA 92552

TO RIVERSIDE:

City of Riverside

TO PERRIS:

City of Perris
Attn: City Manager
101 N "D" St.
Perris, CA 92570

Copy to:

City of Perris
Attn: City Attorney
101 N "D" St.
Perris, CA 92570

TO COUNTY:

County of Riverside

Attn: City Manager
3900 Main Street, 7th Floor
Riverside, CA 92501

Attn: County Executive Officer
County Administrative Center
4080 Lemon Street
Riverside, CA 92501

Copy to:

City of Riverside
Attn: City Attorney
3900 Main Street, 7th Floor
Riverside, CA 92501

Copy to:

County of Riverside
Attn: County Counsel
County Administrative Center
4080 Lemon Street
Riverside, CA 92501

(b) Notices shall be deemed effective upon receipt or with respect to electronic transmission, upon receipt of written verification from the receiving party.

3.5 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.6 Laws and Regulations. Each Party shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of this Agreement, and shall give all notices required by law. Each Party shall be liable for all violations of such laws and regulations in connection with this Agreement. If either Party performs any of its obligations hereunder knowing that its actions are contrary to such laws, rules and regulations and without giving written notice to the other, the violating Party shall be solely responsible for all costs arising therefrom.

3.7 Approvals. Approvals required by Parties, or any officers, agents or employees thereof, shall not be unreasonably withheld and approval or disapproval shall be given within a reasonable time.

3.8 Mutual Cooperation; Further Actions and Instruments. Each of the Parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement.

3.9 Third Party Beneficiaries. This Agreement and the performance of the Parties obligations hereunder are for the sole and exclusive benefit of the Parties only. No person or entity who or which is not a signatory to this Agreement shall be deemed to be benefited or intended to be benefited by any provision hereof, and no such person or entity shall acquire any rights or causes of action against any Party hereunder as a result of any Party's performance or non-performance of its obligations under this Agreement.

3.10 Relationship of Parties. The Parties agree and intend that they are independent contracting entities and do not intend by this Agreement to create any partnership, joint venture, or similar business arrangement, relationship or association between them.

3.11 Governing Law. This Agreement shall be governed by the laws of the State of California without regard to conflicts of laws principles. This Agreement shall be deemed to have been made in the County of Riverside, California, regardless of the order of the signatures of the Parties affixed hereto. Any litigation or other legal proceedings which arise under or in connection with this Agreement shall be conducted in a federal or state court located within or for Riverside County, California. The Parties consent to the personal jurisdiction and venue in federal or state court located within the County of Riverside, California, and hereby waive any defenses or objections thereto including defenses based on the doctrine of forum non conveniens.

3.12 Waiver. No delay or omission in the exercise of any right or remedy of a non-defaulting Party on any default shall impair such right or remedy or be construed as a waiver. Either Parties' consent or approval of any act by the other Party requiring its consent or approval shall not be deemed to waive or render unnecessary its consent to or approval of any subsequent act of the other Party. Any waiver by either Party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

3.13 Rights and Remedies are Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

3.14 Legal Counsel. Each Party acknowledges that: (i) it has read this Agreement; (ii) it has had the opportunity to have this Agreement explained to it by legal counsel of its choice; (iii) it is aware of the content and legal effect of this Agreement; and (iv) it is not relying on any representations made by the other Party or any of the employees, agents, representatives, or attorneys of the other Party, except as expressly set forth in this Agreement.

3.15 Severability. In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder.

3.16 Binding Effect. The terms of this Agreement shall inure to the benefit of, and shall be binding upon, each of the Parties and their respective successors and assigns.

3.17 Authorized Representatives. The person or persons executing this Agreement on behalf the each Party warrant and represent that they have the authority to execute this Agreement on behalf of that Party and that they have the authority to bind that Party to the performance of its obligations hereunder.

3.18 Effective Date. This Agreement shall become effective on the date the later of the following events occur: (1) the execution of this Agreement by all Parties; and (2) the execution by all Parties of the Fourteenth Amendment to the Joint Powers Agreement.

SIGNATURES ON FOLLOWING PAGE

**SIGNATURE PAGE TO
TAX AND REVENUE SHARING AGREEMENT AMONG THE CITY OF
MORENO VALLEY, THE CITY OF PERRIS, THE CITY OF
RIVERSIDE, AND THE COUNTY OF RIVERSIDE REGARDING THE
MARCH JOINT POWERS AUTHORITY TERRITORY**

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be entered into as of the date set forth above.

CITY OF MORENO VALLEY

By: 
Mike Lee, City Manager

Date: 3/2/23

APPROVED AS TO LEGAL FORM:

By: 
Daniel Truelove, City Attorney

ATTEST:

By: 
Jane Ables, City Clerk

CITY OF RIVERSIDE

By: _____
_____, City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, City Attorney

ATTEST:

By: _____
_____, City Clerk

CITY OF PERRIS

By: _____
_____, City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, City Attorney

ATTEST:

By: _____
_____, City Clerk

COUNTY OF RIVERSIDE

By: _____
_____, County Executive Officer

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, County Counsel

ATTEST:

By: _____
_____, Clerk of the Board

**SIGNATURE PAGE TO
TAX AND REVENUE SHARING AGREEMENT AMONG THE CITY OF
MORENO VALLEY, THE CITY OF PERRIS, THE CITY OF
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CITY OF MORENO VALLEY

By: _____
_____, City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, City Attorney

ATTEST:

By: _____
_____, City Clerk

CITY OF RIVERSIDE

By: Mike Futrell
Mike Futrell, City Manager

Date: 3/8/23

APPROVED AS TO LEGAL FORM:

By: Susan Wilson
Susan Wilson, for, City Attorney

ATTEST:

By: Donesia Gause
Donesia Gause, City Clerk

CITY OF PERRIS

By: _____
_____, City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, City Attorney

ATTEST:

By: _____
_____, City Clerk

COUNTY OF RIVERSIDE

By: _____
_____, County Executive Officer

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, County Counsel

ATTEST:

By: _____
_____, Clerk of the Board

**SIGNATURE PAGE TO
TAX AND REVENUE SHARING AGREEMENT AMONG THE CITY OF
MORENO VALLEY, THE CITY OF PERRIS, THE CITY OF
RIVERSIDE, AND THE COUNTY OF RIVERSIDE REGARDING THE
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CITY OF MORENO VALLEY

By: _____
_____, City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, City Attorney

ATTEST:

By: _____
_____, City Clerk

CITY OF RIVERSIDE

By: _____
_____, City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, City Attorney

ATTEST:

By: _____
_____, City Clerk

CITY OF PERRIS

By: 
Clara Miramontes, City Manager

Date: 3/13/13

APPROVED AS TO LEGAL FORM:

By: 
Robert Khuu, City Attorney

ATTEST:

By: 
Nancy Salazar, City Clerk

COUNTY OF RIVERSIDE

By: _____
_____, County Executive Officer

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, County Counsel

ATTEST:

By: _____
_____, Clerk of the Board

**SIGNATURE PAGE TO
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MORENO VALLEY, THE CITY OF PERRIS, THE CITY OF
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CITY OF MORENO VALLEY

By: _____
_____, City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, City Attorney

ATTEST:

By: _____
_____, City Clerk

CITY OF RIVERSIDE

By: _____
_____, City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, City Attorney

ATTEST:

By: _____
_____, City Clerk

CITY OF PERRIS

By: _____
_____, City Manager

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
_____, City Attorney

ATTEST:

By: _____
_____, City Clerk

COUNTY OF RIVERSIDE

By: _____
J. VAN WAGEN, County Executive Officer

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
K. Bell-Valdez
Krisitne Bell-Valdez, Deputy, County Counsel

ATTEST:

By: _____
Kimberly A. Rector
KIMBERLY A. RECTOR, Clerk of the Board

SIGNATURE PAGE

EXHIBIT A
AUTHORITY TERRITORY

EXHIBIT A – AUTHORITY TERRITORY

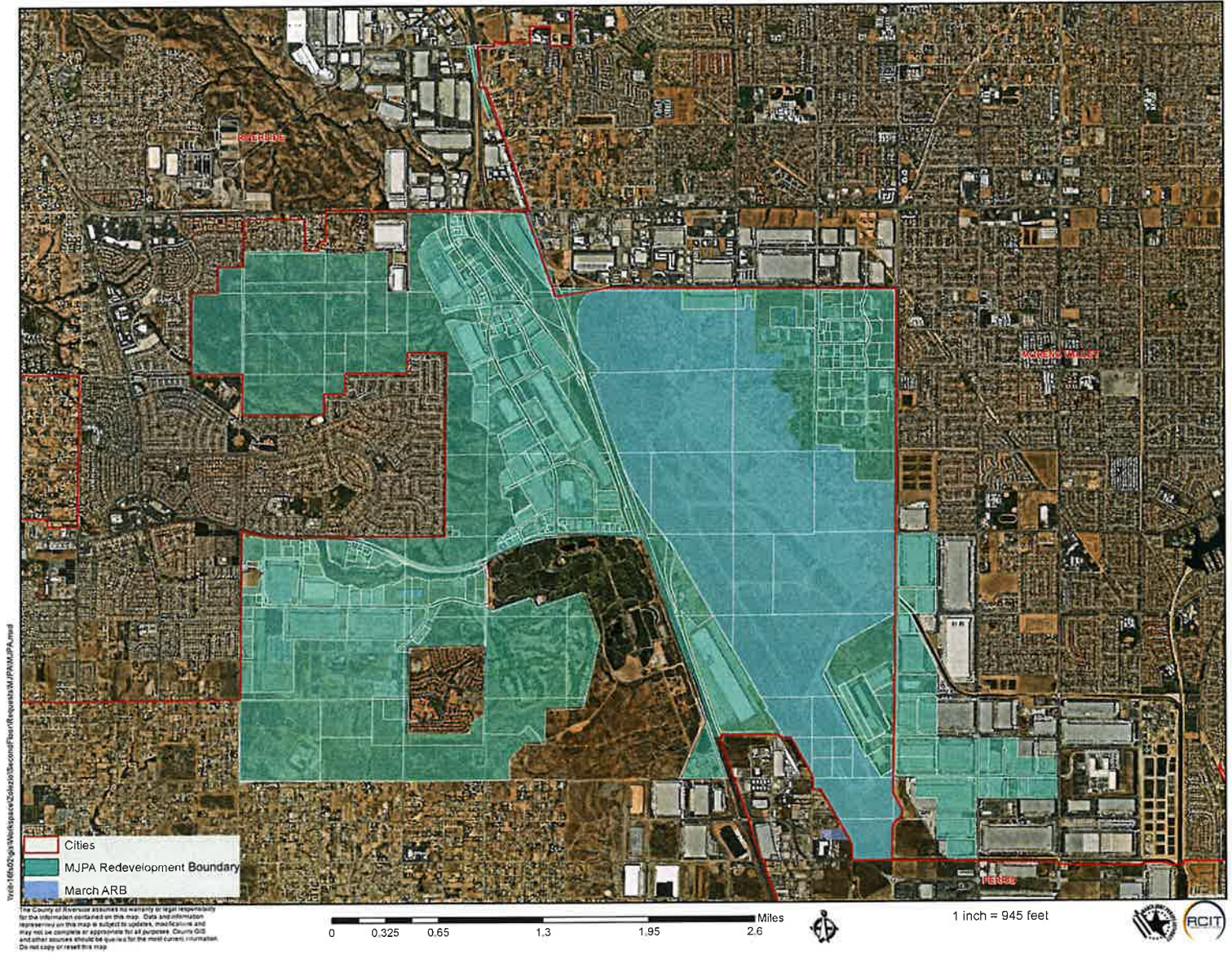
March Joint Powers Authority



EXHIBIT B
PROPERTY TAX REVENUE AREA

EXHIBIT B – AUTHORITY TERRITORY

MJPA Redevelopment Area



**MARCH JOINT POWERS AUTHORITY
TECHNICAL ADVISORY COMMITTEE
OF THE
MARCH JOINT POWERS AUTHORITY**

***Reports, Discussion and Action
Agenda Item No. 6i***

Meeting Date: June 5, 2023

Report: Workforce Development – Summer Internship Program

Background:

As March JPA houses the largest job center in western Riverside County, we support workforce development efforts that can foster the next generation of innovators and problem solvers for our region. To that end, staff is interested in offering a summer internship program for high schoolers and using similar programs by member jurisdictions as models for serving local communities. Staff will present a summer internship program policy to the Commission for adoption.

Attachment: None

**MARCH JOINT POWERS AUTHORITY
TECHNICAL ADVISORY COMMITTEE
OF THE
MARCH JOINT POWERS AUTHORITY**

***Reports, Discussion and Action
Agenda Item No. 6j***

Meeting Date: June 5, 2023

Subject: Military Compatibility Use Study (MCUS) Update

Background:

As directed by the TAC, an MCUS status report will be included as a part of regularly scheduled TAC meetings. These reports will be provided by Simon Housman.

Attachment: None

**MARCH JOINT POWERS AUTHORITY
TECHNICAL ADVISORY COMMITTEE
OF THE
MARCH JOINT POWERS AUTHORITY**

***Reports, Discussion and Action
Agenda Item No. 6k***

Meeting Date: June 5, 2023

Subject: Rolling Calendar and Future Agenda Items

Background:

The following information is shared to update the TAC on upcoming agenda items for Joint Powers Commission meetings in the month of June.

Attachment: March Joint Powers Commission Rolling Calendar

JPC - June 14, 2023	
	Col Aufderheide - Introduction and presentation for 452nd Wing - Asst Seryna Palomino
	Retirement Presentation
	Audit Review ~ Dr. Grace Martin / RAMS Presentation
	Public Hearing - LLMD ~ Dan Fairbanks
	Airport Investment Account ~ Dr. Grace Martin / Citizens Trust Presentation
JPA	Monthly Financial Reports & Disbursements ~ Richard Beltran
	Revised COVID Plan ~ Amelia Ayala
	Dr. Qisheng Pan Economic Impact Assessment (EIA) Professional Services Agreement Amendment ~ Dr. Grace Martin
	First Amendment to Sublease between MWD and MFAM ~ Jeff Smith
	CFD ~ Dan Fairbanks
	Internship Program ~ Dr. Grace Martin
	Land Sales Revenue Disbursement ~ Dr. Grace Martin
	FTZ #244 Skechers Expansion ~ Nina Schumacher
	<i>Closed Session</i> - Nothing at this time.
MIPAA	Monthly Financial Reports & Disbursements ~ Richard Beltran
	Federal Aviation Administration AIP Grant Oversight Policy ~ Rodney McCraine
MJPUA	Monthly Financial Reports & Disbursements ~ Richard Beltran
MJPA-SA	